Daily Report

East Europe

FBIS-EEU-94-080
Tuesday
26 April 1994

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FBIS-EEU-94-080 *26 April 1994*

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Alia, Former Officials Face Trial for 'Abuses'

AU2504164694 Paris AFP in English 1530 GMT 25 Apr 94

[Text] Tirana, April 25 (AFP)—Albania's last communist president, Ramiz Alia, and nine other former top officials are to be tried next month for abuses of power under the country's former hardline regime, a prosecutor's spokesman said here Monday. Alia, 67, and other senior officials are to be charged with numerous abuses, including ordering summary executions, deportations, and compulsory atheism, the spokesman for the Tirana prosecutor told AFP.

Appearing alongside the former communist number one will be ex- interior ministers Adil Carcani, Simon Stefani and Hekuran Isia, former Politburo members Manush Myftiu and Rita Marko, and former top secret police and judicial officials, the spokesman said. Their trial will start at the beginning of May. If convicted, they face up to 25 years in prison.

The charges against Alia and his henchmen allege their responsibility for the actions of the Sigurimi, the regime's secret police. The charges cite the deportation of thousands of people, the summary execution of 22 people accused of involvement in the 1951 bombing of Tirana's Soviet embassy, and the banning in 1967 of all forms of religious activity in Albania, the spokesman said.

According to the Albanian association of deportees and former political prisoners, almost 60,000 people were deported or imprisoned during the regime in place between 1945 and 1991. One of the group's leaders, Kurt Kola, said an estimated 700,000 citizens suffered varying degrees of persecution during that period, while the ex-political prisoners' Liria newspaper added that almost 6,000 people were executed.

Six other top officials, including former ideology chief Foto Cami, were sentenced on similar charges in February to between five and eight years in jail. Last year Nexhmije Hoxha, the 72-year-old widow of Enver Hoxha, the founder and long-time Stalinist dictator of the post-war regime, was sentenced to 11 years for embezzling state funds.

More Arrests of Omonia Activists Reported

AU2504154194 Tirana GAZETA SHQIPTARE in Albanian 22 Apr 94 p 1

[Report by Edmond Laci: "'Omonia,' the Shadow of Suspicion"]

[Text] Tirana—There are suspicions that many of Omonia's activists in the south of Albania have been involved in anticonstitutional activities. On Wednesday [20 April] afternoon, a Public Order Ministry statement confirmed reports that, following several surprise raids in different districts of Albania, "a large amount of anticonstitutional literature has been found, proving Greek expansionist aims toward Albania and Albanian territory," as well as "brazen Greek attempts to Hellenize the area of southern Albania." These confiscated documents include publications such as "Greece's Northern Epirus," by Sebastianos, the metropolitan of Dropull; many maps showing more than four-fifths of the present territory of Albania as "Northern Epirus," and other secret material. Also on Wednesday, Omonia's main leaders, while not unambiguously speaking out about the reasons behind the detention of many of their leading activists, demanded in a letter to President Berisha "the immediate release of all the detainees," who belong, they claim, to the Greek ethnic minority in Albania.

The lightning strikes organized by the Public Order Ministry, according to its statement, were carried out following reports of the unlicensed possession of weapons and of criminal anticonstitutional activities. The 11 detainees confirmed by the Public Order Ministry include many persons from other districts of the Omonia branch in Gjirokaster, and other activists of the association. On Tuesday alone, five more people, whom preliminary investigations accuse of anticonstitutional activity, were detained in Delvine. These are Kosta Miculi, Pirro Kondi, Panajot Mato, Pandeli Gazeli, and Kostaq Cavo. An unlicensed firearm was found on one of them.

Thoma Sharra, deputy general chairman of Omonia, told GAZETA SHQIPTARE that "As far as we know, four people have been detained in Sarande alone, including one woman activist. The detainees include Vangjel Papakristo, chairman of the Omonia branch in Sarande."

[words indistinct] three more Omonia activists in Gjirokaster have been detained, while two people remained in detention in Korce on Wednesday. The first was Ermioni Andrea, chairwoman of Omonia in Korce, and the second the chairman of the Albania-Greek Friendship Association. According to Sharra, the deputy chairman of the Omonia branch in Tirana was detained for 18 hours. Omonia Chairman Sotiraq Qiriazati wrote in his letter to President Berisha that, "in recent days, the ShIK [National Intelligence Service] and the police have been subjecting us to a wave of psychological repression, with detentions, raids on homes, and searches of Omonia offices." The day before the delivery of this letter, which attempts to connect the recent detentions to the criminal incident in the barracks at Peshkepi, the Public Order Ministry's spokesman had explained that "all Albanian citizens, regardless of their ethnicity, are obliged to obey the law of the Albanian state."

Deputy Defense Minister Resigns

AU2504135094 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 25 Apr 94

[Text] After submitting his resignation, Deputy Minister of Defense Boyko Noev stated that recently intensified political pressure prevents him from implementing his duties. He hoped that the government, I quote, is able to overcome the difficult situation. [no reference to close of quotation as heard]

On the other hand, according to a report from the Council of Ministers, [Defense] Minister Aleksandrov heard about his deputy's resignation from journalists.

Karabashev Views Cabinet Situation

AU2504105594 Sofia STANDART NEWS in Bulgarian 16 Apr 94 p 5

[Interview with Valentin Karabashev, deputy prime minister and minister of trade, by an unidentified STANDART NEWS correspondent; place and date not given: "It Is Abnormal for an Acting Prime Minister To Be in Charge of the Cabinet for Over Two Months"]

[Text] [STANDART NEWS] Mr. Karabashev, who is acting as prime minister at the moment?

[Karabashev] Mr. Matinchev continues to carry out this duty, because the prime minister's order of 8 March remains in effect.

[STANDART NEWS] Are there any differences between you and Mr. Matinchev on the issue of when the cabinet should resign?

[Karabashev] Matinchev and I have not even discussed this question.

[STANDART NEWS] Have you suggested that any ministers should go?

[Karabashev] No. In any case, this would be incorrect and the question is hardly likely to be discussed in the prime minister's absence.

[STANDART NEWS] In fact, people say that you called for the special cabinet meeting last Sunday, when Professor Berov was present.

[Karabashev] At that meeting we discussed the position to be adopted by the delegation at the negotiations with the Paris Club.

[STANDART NEWS] What is your personal view on the issue of the cabinet's resignation?

[Karabashev] First, from what I know, I cannot say as yet how long the prime minister will remain absent. I have said previously that it is abnormal for the Council of Ministers to be without a prime minister for a very long period. However, the question of who will act as prime minister—Matinchev or myself—is not the main issue.

[STANDART NEWS] What do you mean by a "very long period"?

[Karabashev] I mentioned earlier that a normal period is about a month or a month and a half...

[STANDART NEWS] ...What about now?

[Karabashev] At this moment I have no detailed information on what is actually happening regarding the prime minister's illness.

[STANDART NEWS] How long can you go on without a prime minister?

[Karabashev] Oh, I will tell you that later, when I can no longer hold out.

[STANDART NEWS] In my view, this depends on whether the Council of Ministers does anything or not. It will never be idle. In the final analysis, it also depends on how parliament reacts. At the moment there is no indication that the majority of deputies will withdraw their support from the government for this reason. When such an indication appears, the cabinet will have to think again.

[STANDART NEWS] Does this mean that you will all go when parliament tells you?

[Karabashev] By and large, yes. The deputies elected us and they can topple the cabinet.

[STANDART NEWS] Does not Zhan Videnov's statement that the cabinet changes will include the deputy prime minister constitute such an indication?

[Karabashev] This does not concern me particularly. It is a signal sent by a deputy, but it is one thing to make some signal, in the manner specified under the Constitution for the entire government, but it is quite another thing to make some sign regarding individual deputy prime ministers. In the second case, these signals are not very proper, because the prime minister is the only person who can propose personnel changes. The former ploy is an attempt to apply some kind of pressure.

[STANDART NEWS] What if the ASP [Alternative Social Liberal Party] recalls you?

[Karabashev] I am not the ASP's representative in the cabinet, because the government was formed according to a different formula. In fact the ASP has no connection with this cabinet and at present is supporting it in some way. At the moment no decision has been made to ask the ASP members to leave the cabinet. If this call is made, Mr. Bikov and I can reach our own decisions on whether to respond or not. I may possibly submit my resignation even without such a call—but this is a purely theoretical consideration.

I do not regard it as normal for the prime minister not to lead his team for a period longer than two months.

Jovanovic Visit Seen as 'Propaganda Mission'

AU2404202694 Sofia DEMOKRATSIYA in Bulgarian 18 Apr 94 p 1

[Staff report: "Jovanovic Came Uninvited To Spread Propaganda"]

[Text] Guarded more than Michael Jackson by Bulgarian and Serbian services, FRY Foreign Minister Vladislav Jovanovic dropped in uninvited in Sofia on Saturday evening [16 April]. He came without any previous announcement and without an agenda; however, all measures were taken to avoid unscheduled media contact. At 1930 on Saturday, the Serbian Embassy informed the editorial boards of newspapers that there would be a news conference, knowing perfectly well that there would be no one there at that time. On 17 April, a carefully filtered and abbreviated piece of information about the talks with the Bulgarian foreign minister was faxed.

As could be expected, after the fraternal embraces with the socialist government in Athens, Jovanovic demanded that the Bulgarian Government insist on a lifting of the sanctions against the FRY—in other words, demanding that the Bulgarian Government oppose the United Nations. This is something that the great friends of the Belgrade regime, the former Bulgarian Communists, tried to do last week.

It was to the credit of Minister Daskalov that he clearly said to the uninvited guest that regardless of the material difficulties related to observing the embargo, Bulgaria will adhere to the UN resolutions, guided by the premise that they are a peaceful, political means. The issue of lifting the sanctions directly depends on finding a lasting and peaceful solution to the conflict in Bosnia-Herzegovina.

When the Bulgarian side posed the issue of violating the rights of the Bulgarian minority, the Belgrade minister said, as usual, that there are no such violations. Jovanovic did not have any information about Lyuben Stoichkov, a Bulgarian from Bosilegrad who was sentenced by the Serbian authorities for talking to Bulgarian diplomats.

Asked why Belgrade is preventing foreign correspondents, including Eli Yurukova, Radio Free Europe, and DEMOKRATSIYA, from doing their job, Jovanovic said that the correspondents present the regime's policy as "satanical." As a true Communist, he described the reporting of the truth about the military activities in Bosnia as an "abuse of journalistic ethics."

Everything else the Belgrade diplomat said in Sofia followed propoganda rules. He even utilized the decision of the Bulgarian Parliament to allow the passage of the UN equipment convoy through our country in order to voice the slogan that the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] was not threatened from the north, and that the presence of UNPROFOR [United Nations Protection Forces] observers there was a result of "false claims and manipulations." A long time must pass before good-neighborly relations are established between Belgrade and Skopje, Jovanovic said.

After he decided that his propaganda mission was accomplished, the minister departed yesterday. This time he was guarded like Madonna.

FRY Envoy Attacks Coverage of Ethnic Bulgarians

AU2604103294 Sofia KONTINENT in Bulgarian 23-4 Apr 94 p 3

[Report by Evgeniya Dzhordzheva: "FRY Envoy Describes Embargo as Genocide"]

[Text] According to FRY Ambassador Dr. Rados Smilkovic, the Bulgarians in Yugoslavia do not want to be isolated in a ghetto. He said this during a visit to Burgas, in answer to a question from a KONTINENT journalist about violations of the human rights of the Bulgarian minority in the FRY. Dr. Smilkovic declared that the Bulgarian minority even enjoys certain privileges as a Slavonic minority. He added that the Bulgarians there were enduring the same difficulties as the Serbs and that the facts reported in the press were false. He was surprised that even when describing the Los Angeles earthquake, Bulgarian journalists find it necessary to throw in a few profanities about the Serbs. According to Smilkovic, now, when Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] has been removed as a motive for conflict, the press is looking for a new apple of discord. This was unjustified, because the FRY leadership hopes that the border that separates us will become one that links us together.

Dr. Smilkovic said that only the FRY and its neighbors were suffering from the embargo, and he described the blockade as genocide. Despite everything, the ambassador does not blame Bulgaria for observing the embargo, and he pointed out that incidents such as the "Khan Kubrat" case should not be used as a pretext for worsening relations.

Dimitrov Supports NATO in Former Yugoslavia

AU2404202794 Sofia OTECHESTVEN VESTNIK in Bulgarian 16 Apr 94 pp 1, 3

[Interview with Filip Dimitrov, chairman of the National Coordinating Council of the Union of Democratic Forces [SDS], by Neli Koleva in Sofia on 15 April: "Only International Organizations Can Stop the Yugoslav Conflict From Spreading"]

[Text] [Koleva] In the course of today's debates on the permission that parliament was asked to grant for the transit of UN property through our territory, you mentioned the danger of military expansion that Bulgaria faces, against which only membership in the United

Nations and NATO could provide any guarantee. Does such a danger really exist, and from where will it come, in your view?

[Dimitrov] Everyone is well aware that since the conflict began in Yugoslavia, risks exist for Kosovo, for Macedonia, and hence for Bulgaria as well. This is why my lips are tired of repeating that intervention by international organizations and effective groups that can really achieve something, namely NATO, is necessary. I have been repeating this since 1991 and have been saying it almost daily since the conflict broke out in Bosnia. In the final event, thank God, it turned out that the policy followed by the SDS government was a sensible one. We recognized the [former Yugoslav] republics, following which others recognized them as well, thus demonstrating that this is the way to prevent the conflict. We have been attacked for recognizing Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], but, in the end, everyone recognized this republic because they realized that this is the only sensible way to guarantee tranquillity. Our government wanted blue helmets and observers to be sent to the FYROM, and the FYROM got them because this is the way to guarantee that there will be no expansion of the conflict.

Naturally, these actions are being carried out because everyone realizes that it cannot be excluded that an unpredictable communist regime like Milosevic's may do anything. If it does something that leads to an expansion of the conflict, there is a very big risk of that our Bulgarian home will be set on fire. Bearing in mind these dangers, which are not immediate at the moment, we should do everything within our powers to ward off this possibility. I am glad that the NATO forces are in [the former] Yugoslavia. They are a guarantee that any such expansion will be checked.

[Koleva] Can we regard the stance adopted by the SDS parliamentary group today as a kind of vote in favor of the policy that your government followed?

[Dimitrov] Today's vote does indeed show that the SDS fully supports the positions that the SDS government defended with much effort and at no little risk.

[Koleva] How do you explain the position of the Socialists in the parliamentary debate when they voted en bloc against the UN request?

[Dimitrov] I think they are acting as agents of an imperialist expansionist policy advocated by certain circles in Russia that hope that the heightening of tension in the Balkans and the intensification of Serbian expansion might bring in Russia to act as an arbiter in this region.

Benefit of FRY Embargo Adherence Questioned

AU2404204394 Sofia 24 CHASA in Bulgarian 18 Apr 94 p 8

[Editorial: "What Is the Benefit of Loyally Observing the Embargo?"]

[Text] It would be a good idea for the Bulgarian politicians to explain to the people why they are so religiously observing the FRY [Federal Republic of Yugoslavia] embargo and without giving it too much thought refuse to join even the four European states that will ask the United Nations to lift the sanctions.

We are playing a bad trick with our indecisiveness.

First, our neighbors the Serbs will always remember that we were against them to the very end. Greece, Romania, Hungary, and Ukraine will insist on lifting the embargo and will not be thrilled by the fact that we did not support them.

Second, would the United Nations believe our cries regarding the billions of dollars we are losing from the embargo? It is logical for a state whose economy is being destroyed by the sanctions to fight by all means for lifting them.

It appears that we can simultaneously be on bad terms with our neighbors and not be compensated for our losses.

So, what is the benefit of our twisted internationalism?

Klaus Discusses Political Ideology, Trends

AU2504121794 Prague REFLEX in Czech No. 17, 18 Apr 94 pp 19-20

[Interview with Prime Minister Vaclav Klaus by Dan Hruby and Bohumil Pecinka; place and date not given: "I am No Longer an Icebreaker"]

[Text] Until quite recently, Czech Prime Minister Vaclav Klaus (52) was, for the majority of our citizens, rather like an icebreaker that assiduously cuts through the ice floes and hauls society forward. However, in recent months, he has seemed more like a moderate politician, who customarily prefers constancy to variety. This is a change. REFLEX asked: Why has it taken place?

[Klaus] The most important thing of all is the era, which has changed considerably. Previously, we were faced with fundamental tasks, whereas now we are dealing with far more subtle issues. If at one time it was necessary to chop away at them with an icebreaker, now we are using far more delicate instruments. This is the objective reality of our era. The country has moved from the early transformation phase to the posttransformation period. During the period of cutting through with an icebreaker, there are also far more people on board with you. When dealing with more delicate tasks, you notice that the concurrent viewpoints on a whole host of issues have factually evaporated. The era of the icebreakers has simply come to an end.

[REFLEX] Does this mean that the era of systemic changes is already behind us?

[Klaus] It is impossible to say that the era of systemic changes came to an end on this or that day. I would use the present continuous tense—it is coming to an end.

[REFLEX] Then the revolution is also coming to an end?

[Klaus] Is the revolution coming to an end? This seems to me, in April 1994, to be a somewhat overdue question.

[REFLEX] The Democratic Union was formed recently. It considers the November revolution to be incomplete and declares itself to be a party for your disappointed voters....

[Klaus] From the little I know about this party, I would say that it is an eleventh-hour party of permanent revolutionaries, a party of people who have not understood the true size of the rear-view mirror through which we look at what is behind us. Theirs is bigger than the windshield of the car in which they are traveling. On the other hand, these are people who have obvious personal interests, and they are concealing them partially by means of their strong-arm ideology.

[REFLEX] What do you say to their claim that the establishment of the Democratic Union was brought about by Civic Democratic Party [ODS] policy and that you are, in fact, the father of this party?

[Klaus] By answering these questions, I am already according this party more importance than it merits. The main driving force behind this grouping is and will be the publisher of CESKY DENIK, Mr. Kudlacek. I have to say that his views on our policy were absolutely the same four years ago as they are today. The ideological gap between us has not increased by a millimeter since his first open letters in ANNONCE. Even then, his demands were absurd, unrealistic, and oversimplified. I would recommend that everyone read Mr. Kudlacek's articles.

[REFLEX] The fact is, it demoralizes the citizens when many of the former StB [State Security] and KSC [Communist Party of Czechoslovakia] top brass are conducting business unimpeded. The radicals are even talking about a *nomenklatura* capitalism...

[Klaus] I do not want to say that the quite unique privatization of our economy, which, in the space of two or three years, has gone from nothing to the current level of two-thirds of the overall generation of the GDP in the private sector, is a painless and idyllic social activity in which only the best and most honest have succeeded. Unfortunately. However, I cannot imagine this process being carried out in a more rational way. Of course, it was possible to postpone and slow down privatization. I am convinced, however, that the price we would have to have paid for this delay would have been infinitely higher. This is clear to see in many postcommunist countries, where, as a consequence of hesitation, there has been so-called spontaneous privatization and the results are now far worse. There is speculation concerning the social groups in our country from which successful businessmen recruit. I have to say, however, that nothing can be done about this at the moment. These people either have the ability of innovators or not. The state can do nothing for them. The "Heroes of Our Time" in the economic sphere are not the state's civil servants, planners, or ministers. The "Heroes of Our Time" are the entrepreneurs, managers, and businessmen who come up with the ideas, whether these concern a new enterprise, product, or technology.

[REFLEX] Many people voted for you because they felt you have a clear vision of society's further development. Are you not now concerned, when many people are abandoning the icebreaker, and mundane problems, including the endless coalition disputes, are cropping up that this vision is being lost from sight?

[Klaus] I would not confuse the clear vision of society's development and the everyday political squabbles within the coalition. The vision is something infinitely more profound, and the political level only forms a small part of it. Therefore, I do not believe that our citizens are losing this vision. Nothing I see around me bears this out. The period of more subtle conflict among the ideas about the future is just beginning. This is natural in a pluralist society. In 1990, the main conflict was between visions of East and West. The basic slogan of these elections was "Back to Europe." Now this slogan is trivial. Everyone, so to speak, can ascribe to it. People

have matured so much that they are able to ask supplementary questions. We are no longer asking if there should be a market or planned economy here, but we are dealing with how interventionist the market economy should be, how it should be regulated, and how socially encumbered it should be. That is, I do not view today's disputes as a loss of the overall vision but as a progression of the pluralist views within it. These are simply disputes on one side of the barricade.

[REFLEX] Despite this, however, these "disputes on one side of the barricade"—for example, among the coalition parties—may put people off or provoke disillusionment....

[Klaus] I would not be so dramatic. The coalition is here so that it can debate in a coalition manner. This is logical. If only one party were in power, there would be "coalition" disputes among its ranks by way of a change. When I see the problems within the coalition governments in Germany, France, and Italy, I do not feel that our coalition is in any way exceptional.

[REFLEX] Does this mean that the citizens should get used to the fact that the current situation is quite normal?

[Klaus] The citizens should get used to it, and I think they have long been used to it. Instead, I would ask reporters to go for the facts and not whether this or that coalition politician has said something clever or stupid.

[REFLEX] The modern history of the Czech lands is associated with left-wing traditions, which culminated so oppressively after February 1948. You are now coming up with a program for complete privatization and economic liberalism; however, these very ideas represent a heterogeneous element in our environment. Could it turn out that the only political role you and the entire ODS will play in Czech history will actually be the role of an icebreaker during the period of transitional changes and that later you will lose widespread support because society will return to its traditional views?

[Klaus] The role of a politician must always be far more dynamic, and his vision must be far more definitive than the average vision of society and than would correspond to the actuality of the country in question. If you want to swing the pendulum in an attempt to reach the point at which it turns back, you have to strike it with far greater force. At the same time, it is clear that the pendulum will again fall back a little. This is a fundamental dispute that will never end. There will always be a constant clash of ideas here when the issue involves the side to which the pendulum will swing. So, the fact that my ideology is more right-wing than would correspond to the traditions of this country is absolutely in order. The task of a politician is to hoist and tighten the sails and follow the course plotted.

[REFLEX] Do you think that this left-wing tradition "in us" could be altered by the post-November developments, especially mass privatization?

[Klaus] Here we must, first and foremost, answer the question on the role of tradition in forming political, social, and cultural—simply, all—views of the world. Apart from this historical vertical axis of traditions, there is also a horizontal factor—that is, to what extent events in the surrounding world influence us. Let us go a bit further: Is it possible to extricate ourselves from this vertical axis of traditions and the horizontal axis of external influences and, by means of our own shrewd policy, push general views forward? This is the third factor that determines society's orientation. I personally believe that the past will not pull us back too much. The social democratic or pseudosocialist tradition in our country was considerably overturned by the advent of communism, and it thus suffered far more breaches than in the countries of Western Europe. There, this tradition was far from being suppressed, devastated, and more or less negated by the experiences of the past 50 years. Therefore, I am not concerned that our citizens would be too enticed by the socialist ideas of the first half of the 20th century.

[REFLEX] What, then, are you concerned about?

[Klaus] I am a little concerned about the horizontal axis. The Western ideological world is positioned a little differently than I would like. The gravitational pull to the left will come from Western Europe—that is, from our natural environment rather than from our own past.

[REFLEX] However, you also mentioned a third factor....

[Klaus] This represents everything that we ourselves are capable of pushing through, asserting, and emphasizing. I believe that we are not helpless against the influences from our past and the surrounding world. I am not a pessimist about this. We have strength, independence, and reasoning, and so we also have hopes of preserving a certain Czech specificity into the future.

[REFLEX] Specificity in what?

[Klaus] Our Republic gravitates more toward the West than the other postcommunist countries, but, on the other hand, it is more aware of the danger of collectivist theories than Western countries. It is in this very area—and I am saying this without any arrogance—that I see a certain role for us within the Pan-European context.

[REFLEX] Do you think it is possible in present-day Western Europe to discern any trend that society there would orient itself more to the right or to the left?

[Klaus] The period of time between an idea being formulated, implemented, and, finally, becoming firmly rooted throughout society is very long. Despite the fact that the 1960's and the 1970's saw a marked ideological swing to the right, left-wing state interventionism reached its peak during this period. Then, at the beginning of the 1980's, politicians like Ronald Reagan and Margaret Thatcher grasped the new ideas and began to

put them into political practice in their countries. However, I will not speculate about whether the third phase has already been achieved—that is, when these ideas have definitively penetrated the citizens' consciousness. Nevertheless, today we can all see that, in the ideological sphere, which precedes reality, the pendulum in Western Europe is beginning to swing back to the left. So, there will still be something to contend with in the ideological sphere.

[REFLEX] You said that the experience with communism in our country has discredited socialist ideas. However, in Poland and Lithuania, for example, they have had the same experience, but still the postcommunists won the free elections there....

[Klaus] In these countries, compared with the Czech Republic, the development of the political system is less evolved. The political forces there are still political movements that are not ideologically precisely defined. They are fronts for something or forums against someone. This means that the structure of political life there is proceeding otherwise than along a right-left line. In policy, the forces there are more rational and less rational, more pragmatic or less pragmatic, more or less organized, and these differences are more important than right-left polarity. This means that the forces that won the elections in these countries may be more rational at a given moment and the governments more capable.

[REFLEX] Does this also apply to Slovakia?

[Klaus] Yes.

[REFLEX] We had originally intended this interview to be a summary of a specific period. However, it now seems to us that this is not the right time to take a look at what has happened. For example, the issues of restitution and the senate have not been dealt with. When do you think the time will be right to take a look at these issues?

[Klaus] Any time is right for taking a look around. I do not understand, however, why you two should consider the issues of the senate and restitution to be the dominant issues facing our society. These are absolutely marginal issues that do not concern the essence of this country. It is only certain politicians that incessantly and artificially drag them to the forefront. However, I do not believe that we should write the history of this state during the past four years according to them. I do not believe that these are the issues that people talk about every day over a pint in the pub or around the dinner table at home.

Klaus Urged To Face Up to German 'Traumas'

AU2504123294 Prague MLADA FRONTA DNES in Czech 20 Apr 94 p 6

[Commentary by Jiri Leschtina: "Where Are the Limits of Vaclav Klaus's Euroskepticism?"]

[Text] Vaclav Klaus's failure to attend the Litomysl banquet involving seven presidents was yet another caustic demonstration of the prime minister's skepticism toward intellectual debates on the subject of European integration. Every manifestation of skepticism is, in principle, an example of a discerning point of view, as long as it does not go beyond a certain limit. Where is the prime minister's limit?

Vaclav Klaus's profound mistrust of any kind of supranational institutions, full of bureaucrats who would like to dictate a new international discipline, is undoubtedly well founded. No matter what European habits and customs are today and no matter what European public opinion, which has been evolving for centuries, is, the road toward a united, supranational Europe will still be a long one, if we ever reach the end of it.

Critical skepticism in this regard may only be to the benefit of the situation. As the Spanish philosopher Ortega y Gasset pointed out: "I do not recall that any civilization has ever succumbed to a paroxysm of doubt." And from where else but our country, endowed with its rich experience of cheap internationalism, should the most frequent critical and caustic remarks against the "Brussels visionaries" come?

Even the most pertinent skepticism, however, must steer clear of pointless eccentricity. Klaus's Euroskepticism is evidently inspired by the British mistrust of becoming too bogged down by European structures, a mistrust whose apostle is Margaret Thatcher. Her coolness toward any form of international affiliation, however, is born of the Briton's traditional insular peevishness and about whom it is claimed, half in jest, that his often affected inclination toward little animals comes from what he has put aside from his contacts with other people.

It would be rather absurd, however, if the prime minister of a small country in Central Europe, where no nation can simply "dance only to the beat of its own drum," were to endorse a similar level of isolationism.

It is not just that, in essence, the companionable Bohemians and Moravians will never be such full-blooded adherents of the British style of "splendid isolation." The indications that Klaus's cool attitude toward Brussels and his comments about the "unfairness" of the NATO air strikes against Serb positions have aroused unexpected interest from Russia are far more serious.

Some of our government officials have explained away the recent unanticipated invitation to Vaclav Klaus to make a state visit to Russia by saying that Moscow would like to find a kindred spirit in the Czech prime minister as far as its schizophrenic attitude toward Western Europe is concerned. There was even a sharp exchange of views at the extraordinary government session, during which some members of Klaus's Cabinet somewhat hysterically recommended that the prime minister not go

anywhere. In the end, Klaus himself had to rid Chernomyrdin of all his false illusions when he declared categorically in Moscow that politics will not be discussed now because "business" is on the agenda.

Nevertheless, for us to circumvent the Kremlin's dubious "attachment" in the future, it would be far better if the prime minister would limit his natural Euroskepticism, first and foremost, to criticism of the unrealistic ideas about the foreseeable unification of Europe. And, as an advocate of traditional bilateral diplomacy, he should declare clearly that none other than Kohl's (or, after the elections, Scharping's?) Germany is our closest partner on our incontrovertible road toward the European Union.

So far, however, the government has made no attempt to find a cure for the understandable German traumas that persist among our public. Out of an obvious fear of losing popularity, Vaclav Klaus and other coalition politicians have left the political field here to the opposition, which is shamelessly playing an anti-German card.

Today, however, Germany is a scrupulously democratic state that is an inspiration for us in many things. There is much to encourage us and much to learn, for example, from the way the Germans bore, calmly and honorably, the postwar catastrophe and from how they managed energetically to come to terms with its terrible aftermath.

For this reason, it would be fitting for Vaclav Klaus to stand up, with Mrs. Thatcher's courage and sarcasm, not only to the anonymous bureaucrats in Brussels, but also to the still burning issue of the Sudeten Germans, which the Bonn government would also like to sweep definitively from the table.

Finance Minister on Role of EBRD

AU2504150294 Prague CESKY DENIK in Czech 21 Apr 94 p 1

[Interview with Ivan Kocarnik, finance minister and deputy prime minister, by Jan T. Vavra; place and date not given: "EBRD Must Help in High Risk Regions"]

[Text] *The annual meeting of the European Bank for Reconstruction and Development (EBRD) was to outline the role of the bank in the future. Most states are not satisfied with its operation so far. The Czech Republic was represented at the meeting by Finance Minister Ivan Kocarnik, whom we asked for an interview.*

[Vavra] How did the Czech Republic and the other countries assess the operation of the EBRD?

[Kocarnik] Of course, the assessment of the operation of the EBRD was marked by the election of Jacques de Larosiere as new president. All central bank governors and other representatives of individual countries expressed full support for him in his efforts to transform the bank and introduce a cutback program (salaries and expenditures freeze). We expect J. de Larosiere to give the EBRD a new face.

Personally, I was very critical in assessing the operation of the bank, particularly in the sphere of small and medium-scale business. Last year, for instance, we agreed on certain measures in this sphere, which, unfortunately, have not been implemented. This theme remains topical.

[Vavra] What basic goals have been set for the future?

[Kocarnik] We were asked to table the main ideas regarding the future orientation of the bank. The main change should be that the EBRD will approach the solution of the problem of support for business much more intensively and in cooperation with the domestic banks.

[Vavra] Have you made any demands on the EBRD?

[Kocarnik] First, I expressed the wish that the EBRD participate much more in the actual industrial sphere than in banking. We do not need it to enter our banks. The EBRD was founded to take on a certain part of the risk in the transforming countries rather than to enter problem-free institutions.

It also came up in the discussion that the EBRD selected approximately 25 of our medium or larger enterprises on which it intends to work. I believe that these enterprises are the optimum ones for the first entry of a bank, and they correspond to our ideas.

Firms Seek Fighter Aircraft Joint Venture

AU2504175794 Prague RUDE PRAVO in Czech 21 Apr 94 p 8

[Article by Josef Michl: "United States and Israel Are in the Game for Participation in the Production of Czech Military Aircraft"]

[Text] On the occasion of a reception for Israeli members of parliament on 8 April, Defense Minister Baudys publicly announced the possibility of cooperation between the Czech Republic and Israel in the sphere of arms industry. At the same time, he said in his report for CTK that it would be premature to speak about a specific form of cooperation. According to information obtained by RUDE PRAVO from reliable sources, the aforementioned cooperation could concern supplies of Israeli avionics for the light training and combat aircraft L-159 developed by Aero Vodochody Co. This aircraft, in addition to use by the Czech Army, should succeed in the U.S. and Australian markets and the markets of the European NATO member countries. In fact, this cooperation would be just a continuation of the cooperation with the Israeli firm Elbit that is participating by supplying military equipment in the production of L-59 aircraft, a contract on the delivery of 36 pieces of which was signed with Thailand.

Aero Vodochody Director Zdenek Chalupnik told RUDE PRAVO on 20 April that the observation regarding the supplies for the L-159 by the firm Elbit is "only a small part of information." "Of the approximately nine offers," he continued, "we have short-listed three, and no further selection has been done so far." He admitted at the same time that Elbit is on this short list of firms that are capable of satisfying the demands from the Army of the Czech Republic and added that the other two firms are from the United States. Moreover, he confirmed that one of them is the Rockwell International Corporation.

According to the RUDE PRAVO findings, this corporation showed great interest in the production of the Czech military aircraft, as testified by its letters to Defense Minister Antonin Baudys and Industry and Trade Minister Vladimir Dlouhy, in which it appeals to the Czech representatives to seriously consider its initiative, with due attention to the prestige of the firm and the contacts to which it can provide access. It submitted a detailed official offer of cooperation to the management of Aero Vodochody last February. In it, the U.S. corporation provides information on the objectives and conditions of the proposed joint venture that would concern an exclusive partnership in the sale of the L-159 aircraft on the world markets, avionics supplies, teamwork in the modernization of the aircraft for use within the framework of NATO, assistance in providing credits, and cooperation in the development of the Czech fighter aircraft of the next generation. Subcontractors from Great Britain and Italy are taking part in the bid of the U.S. manufacturer.

The Aero Vodochody company conducted its own preliminary comparison of the two bids. The results RUDE PRAVO managed to obtain indicate the superiority of the Rockwell bid. The internal material of Aero specifically states that the markets to which Rockwell promises to introduce the Czech military aviation production will not be, as opposed to the limited possibilities of the Israeli company, limited by political concerns and risks. The material describes the worldwide reputation of Rockwell as excellent, and it refers in the same manner to the firm's technical, marketing, and information possibilities and results and the offered financial assistance by means of its own credit company and commercial banks. It emphasizes its possibilities in the training of technicians, providing top-quality avionics, software, and NATO logistics, and especially notes that Elbit does not have such possibilities. The offer of exclusive cooperation in selling L-159 in the world markets is noted (while the possibilities of the Israeli company are limited in this respect to Singapore, India, and Australia) and the firm's own production potential, while Elbit must purchase a large quantity of equipment from other manufacturers.

Consultations by RUDE PRAVO with industry and military experts in aviation give rise to certain doubts regarding the orientation toward Israeli supplies also from the vantage point of the future market for Czech military aircraft production, particularly with respect to the desirable compatibility with the NATO standards and the conceivable application in the armies of the North Atlantic Alliance member states. Because of the significance of the matter, Chalupnik refuses to provide official information regarding the scope of individual bids, but he considers them approximately equal. At the same time, he points out the necessity for speedy processing of the concept of restructuring the Army and setting priorities in the development of military production. "We are waiting," he said in a telephone conversation with a RUDE PRAVO correspondent, "for the establishment of that program (L-159 production). We are waiting for the decision. Of course, to the extent of some hundred million korunas, we are working on the preparations so that, when the time comes, we can start at full speed. It will have Western-type avionics, corresponding to NATO standards, and the selection process has not been concluded. Period."

Moravcik Views Problems Facing Government

AU2504164994 Prague RUDE PRAVO in Czech 20 Apr 94 pp 1, 16

[Interview with Foreign Minister Jozef Moravcik by Pavol Minarik; place and date not given: "We Are Going To Search for Friends Abroad, Not Invent Enemies"]

[Text] [Minarik] What are you going to do to prevent the situation in Slovakia from becoming dangerous?

[Moravcik] We are going to continue the political style we have decided to adopt. This means to search for constructive solutions to the problems and to try to reach consensus with a wide spectrum of political parties. The existence of all our government is based on this principle. Some of the circles on the domestic scene, however, would like to hear declarations oriented toward the radicalization of the events. In my opinion, there is only one way: not to react to nonsense. Regarding foreign countries, we are going to search for friends there. We are not going to invent enemies.

[Minarik] Slovakia is once again at a crossroads. What direction is it going to follow?

[Moravcik] We said it, in no uncertain terms, in our policy statement. We are going to try to integrate ourselves in traditional European economic, political, and security structures. Regarding the attitude toward the state, we want to renew the trust of the people in state institutions and to increase people's feeling of security. This will not be easy. We have recorded an obvious increase in the crime rate. We are not likely to be able to eliminate this trend, but we would like to improve the number of solved cases. We are interested in an efficient functioning of our administration, which is to serve the people. We also want to stress the importance of individual initiative not only in the economic sphere, but also in the social one. This means that we are considering giving the nonstate organizations, including various foundations, room for activity in the social sphere. We are also going to push for a bill on conflicts of interest.

[Minarik] Last week, parliament approved the policy statement, but the new Cabinet does not have enough time left. What should you concentrate on?

[Moravcik] In the economy, we have to concentrate on budgetary discipline. We are going to try to solve, in a more consistent manner, the insolvency of our enterprises, which is a drawn-out problem of our economy. We believe privatization is very important.

In its policy statement, the government has unequivocally indicated that it has the political will to prepare the second wave of coupon privatization, so that it might take place immediately after the elections in the fall. We want denationalization to become part of our overall economic strategy.

[Minarik] Are you aware of the risks your government is taking on?

[Moravcik] A government cabinet that has a limited time span for its existence, such as our Cabinet, cannot ignore risks. However, there are also some advantages. That is, the government is forced to adopt very tough attitudes toward fulfilling its tasks. I have the impression that we will be able to solve certain long-term problems, particularly in the economy. We will have to intervene in the tax system in a way that will affect taxpayers. Certain spending from the budget will have to be reduced, which also is a risk factor.

[Minarik] Are you not afraid that such steps will have a negative impact on your further political career?

[Moravcik] That is irrelevant.

[Minarik] Former Movement for a Democratic Slovakia [HZDS] members who were in the government before are now acting as a shadow cabinet. How do you view their activity and their declaration that you are a government of broad corruption and trained poodles?

[Moravcik] We are carefully watching everything the opposition is saying about us, including the shadow cabinet. We are going to try to find something positive, if possible, that could help solve some of our problems. Anyway, from this viewpoint, the opposition is always important because, if they are efficient and constructive, they should point to certain aspects that the government cannot see. Unfortunately, we have not discovered stimuli in the declarations of Meciar's shadow cabinet that would make us change our attitude.

[Minarik] How is the right-left government of the center managing to govern? On what basis do you reach consensus?

[Moravcik] I will be sincere: In the course of the discussions at the government meetings, it is difficult to tell who is the left wing and who the right. The coalition has the advantage that it can concentrate fully on solving problems. There has never been a confrontation of the left- and right-wing concepts. Of course, it is more difficult to reach consensus when there are more entities involved. No stumbling blocks have appeared yet, however.

[Minarik] What chances do you give to your Cabinet after the elections in the fall?

[Moravcik] We are building on the fact that we are going to convince the electorate that our viewpoint and our policy represent an alternative for Slovakia, which alternative is acceptable to the majority or them. Otherwise, we would hardly be able to manage all our problems. I believe that this Cabinet has a chance to function even after the elections.

[Minarik] Many people in Slovakia are balancing on the edge of the sustenance level. They are ill-behaved voters because they want an immediate solution.

[Moravcik] We want to make the transformation process as socially acceptable as possible. This will be very

demanding, but we must do everything not to increase the number of people living below the subsistence level. I admit, however, that this is one of the most important problems this government has to solve.

[Minarik] You are one of the people who knew Vladimir Meciar well. Is his position in Slovak politics being demonized?

[Moravcik] Maybe it is. To tell the truth, I do not have time to think about it too much. I believe that a positive program can become an alternative [for Slovakia]. If a certain part of society—we will try to make this part as large as possible—realizes that there are several alternatives and possibilities and that there are different political entities that can efficiently execute their powers, is it possible that the public will positively appreciate such personalities?

[Minarik] Your predecessors from Meciar's cabinet have not properly handed over their offices to the members of your government. We have even heard about empty shelves in certain ministries. How have you solved this problem?

[Moravcik] Several weeks have elapsed since then. All this is rather grotesque. No unsurmountable obstacles have arisen as a consequence of this.

[Minarik] Why did the HZDS have difficulties governing in Slovakia?

[Moravcik] I did not think about it in any specific way. If we wanted to point to the core of the problem, we would speak about something the public has already forgotten and what I pointed to when I was expelled from the HZDS. They have adopted two attitudes in politics. The first is exclusivity. Only the HZDS is able to govern in Slovakia. The second is the confrontational character of their politics. I believe that, if the HZDS does not change its policy in both points, it may be led to the fringe of the political scene and become an extremist party.

ΩFuture of New Coalition Examined

94P20658A

[Editorial Report] The ability of Slovakia's new government to sustain a viable coalition is the subject of recent commentaries in the Slovak and Czech press, with some observers expressing optimistic views and others showing considerable doubts. Writing in the independent Bratislava daily NARODNA OBRODA of 27 March, Jan Fuelle argues that the new government coalition's success in accomplishing its avowed mission—preparing an early election and laying the foundation for Slovakia's economic stabilization—depends, among other things, on its being able to establish a framework for the emergence of "meaningful and viable" political groupings having clearly defined programs. Such a framework, he suggests, would resemble the Western-type division of political forces into left-wing, center, and right-wing parties.

Anyone looking at the composition of the new Slovak Government and at the prominent politicians whose influence made its creation possible, says Fuelle, would be struck by the fact that these men represent quite disparate, even contradictory, political views and that few apparent personal ties or, perhaps, common convictions bind them together. He writes:

"Until recently, Jozef Moravcik was foreign affairs minister; his predecessor in that office was Milan Knazko [currently chairman of the Alliance of Democrats of Slovakia]. At one time, Ludovit Cernak [currently chairman of the National Democratic Party] held the post of economy minister in the same government and, half a year ago, he signed a coalition agreement in the same room in which, last Monday night, he signed another agreement, this time with different partners and for a different purpose. Roman Kovac [former deputy prime minister and a prominent Movement for a Democratic Slovakia member] who also took part in the Monday signing ceremony, witnessed, while participating in the previous government's decision making, the expulsion of Milan Knazko, only to have the same fate overtake him. Jan Carnogursky [chairman of the Christian Democratic Movement, KDH] vehemently attacked the government, which included Jozef Moravcik, Milan Knazko, and Ludovit Cernak, as well as Roman Kovac; on the KDH election posters in 1990 one could read the slogan, 'Let's Contain Communism.' Now, the former communist Peter Weiss could be seen sitting side by side with Carnogursky as he signed a document which mandated that, among other things, an SDL [Party of the Democratic Left] member be in charge of the Defense Ministry while a KDH member be entrusted with the Interior Ministry."

But to focus on this seemingly "absurd situation," suggests Fuelle, would be to miss the really significant point: "Politicians with such disparate views have been able to reach agreement." This, Fuelle believes, is a clear sign that by having managed to arrive at a number of compromises, they have adopted a truly democratic approach to the solution of the governmental crisis. Still, he continues, "so far all they have agreed on have been signatures" on the coalition document. The difficult moves "are yet to be made." To strengthen Slovak democracy, they must be "capable of additional compromises." Their larger mission must include the task of "regrouping" the existing Slovak political arrangements. For unlike the democratic Western countries, he argues, the Slovak political spectrum lacks a consolidated center. Missing between "a strong left" and "an emerging right" is "a viable center party." Being, by their own admission, moderate politicians of centrist orientation, the leaders of the forces behind the new coalition government—Fuelle mentions Cernak, Knazko, and Moravcik—now have a chance to create such a missing political entity, a center party that would "claim as its

members many well-known and experienced politicians." Fuelle thinks that this can be accomplished by integration—primarily the integration of groups that have broken off from Meciar's HZDS—and "by finding partners abroad," i.e., association with parallel European political institutions. Should this succeed, he reasons, such a party "could play still another role—the role of a balancing factor."

Peter Weiss, SDL leader and one of the architects of the anti-Meciar coalition, feels that this coalition is capable of offering to the Slovak voters a government that not only tolerates plurality of views among its members but is resolved to forge, out of this diversity, a "pragmatic" program aimed specifically at bringing the country out of its current political and economic impasse. In an interview appearing in the 30 March issue of Prague's DENNI TELEGRAF, Weiss sounds a cautiously optimistic note concerning the coalition's future. "We do not consider ourselves defeated in advance," he says, "and are not pessimists. Quite the contrary, we see a realistic chance in this lineup of being able to play at least a drawn game with the HZDS." And when he describes the strategy that the coalition is adopting as its own, Weiss echoes Fuelle's point about close relations among coalition parties that favor compromise solutions and about approximating Western models. The coalition, he stresses, is taking "the path of normal cooperation among political parties patterned after those that exist in the West. Precisely therein lies the alternative to populist and excessively nationalist policies, to confrontational and intransigent policies, to the policy of searching for an enemy," which he ascribes to the Meciar regime.

In contrast to Fuelle and Weiss, Slovak journalist and political analyst Egon T. Lansky views the coalition's prospects with pessimism. In the Prague English-language weekly newspaper PROGNOSIS of 31 March, Lansky reviews the events leading to the mid-March negotiations formation of the Moravcik government and concludes that, in spite of all appearances, the opposition to Meciar remains internally divided. This, Lansky argues, is the result of instability and confusion that has plagued Slovak politics "since the Communists turned capitalists" in 1989. Ever since that time, the Slovak political scene has been characterized by "complete lack of both political vision and distinguished personalities." Consequently, attempts at presenting a realistic political program for the country have been frustrated. It is doubtful, Lansky continues, whether one can expect a turn to the better now. While the anti-Meciar forces have finally been able to form a unified front, he writes, "uniting against Meciar is not enough" and, what is worse, the old "divisions and animosities" still seem to persist. "The lines dividing communists and anticommunists, nationalists and democrats (the few there are), as well as ultranationalists, Catholic nationalists, and less nationalist nationalists, often run across rather than between political groups," even for the Hungarians, "whom everyone needs" but with whom "few want to cooperate." Considering this "irrationality of Slovak politics," Lansky holds out little hope for the success of the coalition government. He sees no real possibility of reaching what Fuelle calls "additional compromises" and thus for the emergence of a stabilizing political center. "Chances are," he writes, "that even new elections will not bring a decisive change toward a stable, more democratic, and, above all, viable government." Slovakia after the elections, he adds, is likely to have "a weak government that is incapable of tackling the serious social and economic problems "—or Meciar could possibly return to power. Faced with these alternatives, Lansky admits that he is "not sure" which of the two "is worse."

Moravcik, Roman Kovac on Establishment of DSU

AU2504201394 Bratislava PRAVDA in Slovak 20 Apr 94 p 20

[Interview with Prime Minister Jozef Moravcik and Deputy Prime Minister Roman Kovac by Robert Matejovic; place and date not given: "Are We Going to Cut Ourselves Off From the European Future?"]

[Text] On 23 April there will be a merging congress of the Alliance of Democrats of the Slovak Republic and the Platform for Political Realism. Following the congress, a new political entity should be established—the Democratic Union of Slovakia. We are going to discuss with Slovak Prime Minister Moravcik and Deputy Minister Roman Kovac certain aspects that proceeded this process. Both men also represent the leadership of the Platform of Political Realism.

[Matejovic] Both entities are supporting liberal ideas. Why is the new party not going to assume a name like the Liberal Party or the National Liberal Party? What is the Democratic Union of Slovakia?

[Moravcik] We have been contemplating for a long time what name to give to the newly established political entity. We have based our considerations on the fact that liberalism may not have strong traditions in Slovakia but is needed because it corresponds, to a certain extent, to the centrist thinking of the Slovaks who do not like extreme positions. We were afraid, however, that, if we called the entity "Liberal Party," people would not understand us. We want to convince people by implementing our policy program and not impress them by our name. We believe that in Slovakia we still have to constantly stress the democratic nature of the institutions we establish and that they are in harmony with the liberal program. This is why we, too, had to put the adjective "democratic" in the name of our union.

[Kovac] We have founded the Democratic Union of Slovakia as a party of the center. We were slightly inspired by the French Democratic Union that developed, after several years, into a loose confederation of liberally oriented parties. Our original idea was to provide a space for an association of parties that would act

as a union externally but internally would keep the structure of individual parties. We are open to fusion with other parties.

[Matejovic] To what extent can the post-November syndrome based on political entities, which were established as various movements or unions involving a wide spectrum of opinions, pose a threat to the prospects of Slovak liberalism? Even the name of your organization indicates that this is an association of liberal streams and not a party that is a full and clear crystallization of the intensifying liberal tends in Slovak policy....

[Moravcik] I believe that the threat you indicated does not stem from the name of our party but from other facts. We have to eliminate it by presenting a clear orientation of our program that will be consistently implemented. The name "union" shows that all of the streams in the center should unite because they are scattered. We will try to persuade small parties to join us.

[Matejovic] In the subconsciousness of the people, you are anti-Meciarites, who lay stress on the education and awareness of the nation.

[Kovac] We have adopted the idea that educated people make an educated nation, which is very important, particularly for young people. Our concern is not to secure a large quantity of educated and qualified people but, rather, to properly evaluate their work. We are also embracing the idea that, in the 21st century, the most important ownership will be intellectual ownership, knowledge, and skills. If we do not set up this trend now and if the Slovak nation does not understand it now, we are bound to cut ourselves off from the European future.

[Matejovic] Hagyari's Democratic Party is exerting efforts to establish something similar....

[Moravcik] I do not believe we are in a situation where we need to make it clear, as regards the Democratic Party, what the domain of our joint actions are. Their program is conservative, ours is liberal.

[Matejovic] Apart from the Democratic Union of Slovakia, the Hungarian Civic Party is also supporting liberal ideas. This party has already become a member of the Liberal International. What kind of cooperation is there between the Slovak and the Hungarian liberals?

[Moravcik] So far, we have not established contacts. I personally believe it is very important for the Hungarian political parties in Slovakia to integrate or at least cooperate more closely with the Slovak parties that have a similar program. It makes little sense to organize parties on the ethnic principle.

[Kovac] Much will depend on what position the Hungarian Civic Party takes on the proposed triple coalition of Hungarian parties. We will certainly cooperate with liberals from the ranks of ethnic minorities. Among them, the Sub-Carpathian Germans are the closest to us.

Magvasi Speaks on Conversion of Arms Industry

AU2504122894 Bratislava SME in Slovak 18 Apr 93 p 4

[Interview with Economy Minister Peter Magvasi by Alica Strbava; place and date not given: "A Ministry of Not Only State-Owned Enterprises"]

[Excerpt] [passage omitted] [Strbava] Let us speak about the problems of arms industry conversion. During his visit to Israel, the defense minister was informed about the conversion of Israeli arms factories, which was completed within five years. We are in the fourth year of the conversion of Slovak enterprises, and many of them still have enormous problems. What alternatives do these enterprises have?

[Strbava] First, we have to say that, in Slovakia, we have never introduced arms industry conversion; we simply stopped our production. I believe this to be a nonsystemic solution to a nonsystemic decision. For natural reasons, the role of the state in that sphere is still understood as paternalistic. It is true that, everywhere in the world, the state has its say in arms production. This production is not regulated by free market mechanisms but is subject to the laws of a controlled and regulated market. We have not adopted methods of developed economies but have succumbed to the pressure of social groups. Projects that were expected to compensate for the shock from conversion—I stress, these projects were not conversion projects—required a lot of capital. Because of the recession and imperfect entrepreneurial plans that were drafted under time pressure and according to antiquated ideas, many restructuring projects were made ad hoc, putting many enterprises in a situation where they lack capital. This is, in fact, the root of our situation today. As a result of this brutal intervention, teams of top experts vanished. They asserted themselves in small businesses, which is good, but this cannot compensate for our losses in large and complex factories. Jacok, when he wanted to sort out problems in the Chrysler company, hired a team of top managers, whom he had to overpay.

[Strbava] What will be the solution? Are you considering the possibility that the Slovak Republic or its arms factories could join the [Czech] RDP Group?

[Magvasi] It is a big plus that [Czech] enterprises were able to establish a joint group and find a common language. Among the Slovak enterprises, there are disintegration trends, and companies are fighting for the leading place instead of making efforts to join forces.

[Strbava] The management of many arms factories is against the entry of foreign capital. They are rather drafting projects for the privatization of enterprises by shareholders' companies. They are willing to communicate with foreigners only after the enterprises are privatized. Therefore they require the creation of favorable conditions under which they want to privatize the enterprises. At the same time, they extend the problems,

demand debt write-offs, and reject dividing large production complexes into smaller units. Is that to our detriment?

[Magvasi] I do not fully agree with your statement that the management is against the entry of foreign capital. I rather believe that foreign capital is willing to enter only when the owner is clearly defined. For them, state ownership, particularly our way of understanding it, is a too vague ownership. That is the first thing. The second is: It is true what you have said that general conditions should be established that would make the situation clear and tell us which procedures we should adopt. In Martin, we partially succeeded in doing it. It has become evident that establishing four enterprises from the former Turcianske Teplice Engineering Works by the end of 1992—and making their situation clear—was one of our good steps. That is, dividing large enterprises into smaller ones is a way we should go. By changing the political system, we want to change ownership relations and install the plurality of ownership relations. Under such circumstances, privatization has a slightly different function, such as finding an owner who has the best entrepreneurial plans. This is why the privatization process must be very comprehensible and must be made public. We have to have clear information on it and must accept the fact that we will not be able to satisfy everyone. If one group is unsuccessful in one project, it should try another one. Our weakness is that we concentrate on one thing and, if we fail, we lament our failure. [passage omitted]

Water Discharged Into Danube To Double in May

AU2504133194 Bratislava HOSPODARSKE NOVINY in Slovak 19 Apr 94 p 2

[TA SR report: "More Water as of May"]

[Text] Bratislava—Barring any unforeseen circumstances, the small hydro-electric plant on the Moson branch of the Danube will be completed in the first half of May. The Vodohospodarska vystavba Bratislava state enterprise will, as of 15 May, double the volume of water discharged from 20 cubic meters per second to 40 cubic meters per second and will contribute significantly to supplying the Danube branches and the Danube wetlands in Hungary, said Environment Minister J. Hrasko. Environment Ministers J. Gyurko and J. Hrasko last week recommended that their governments adopt a political decision that would bring them closer together.

Party Leaders Comment on Election Prospects

Christian Democrats' Tibor Fuzessy

AU2504132994 Budapest NEPSZABADSAG in Hungarian 21 Apr 94 p 6

[Interview with Tibor Fuzessy, minister without portfolio and member of the Executive Committee of the Christian Democratic People's Party, by Jozsef Szabo Bartha; place and date not given: "A Tripartite Government With the Hungarian Democratic Forum and the Federation of Young Democrats"]

[Text] While the political parties are trying to convince the citizens about the correctness of their programs at various rallies and other forums, the Christian Democratic People's Party [KDNP] gathered its activists, officials, and candidates with the same goal in Budapest last weekend. The surprise speaker of the meeting was Tibor Fuzessy, minister without portfolio and member of the KDNP Executive Committee, who, according to several opinions, "outlined a regular party and chairman program." The audience thanked him with a standing ovation.

[Bartha] How different is the KDNP as outlined by you from the actual one?

[Fuzessy] It follows a much more marked and firm line than the Christian democracy, a more Christian-social and Christian-socialist line.

[Bartha] An unavoidable question nowadays: Who with whom and with whom not? Is the KDNP a bride much in demand?

[Fuzessy] The KDNP has a lot of suitors. This could even be flattering, but the richer and stronger suitors do not take into consideration the fact that the bride is not only beautiful and honest, but also choosy and priggish. This bride is not lured away either by richness or power. If necessary, she is also ready to remain a maiden.

[Bartha] How do you choose?

[Fuzessy] Our Christian and national norms that have been formulated more firmly than ever determine whom we consider and whom we do not consider. Extremists on both sides are excluded.

[Bartha] Where do you put the Federation of Young Democrats [Fidesz]?

[Fuzessy] I have not believed in Fidesz for a long time, and I continue to have reservations, but it seems that they are now crossing the bridge over the river that separates the national trends from the non-national trends, the right from the left. If they burn this bridge and have no way back, we might become allies.

[Bartha] What about the Alliance of Free Democrats [SZDSZ]?

[Fuzessy] In 1990, the SZDSZ was a tough anti-communist party calling for a hard change in the regime. A change took place in the party after two years, and now it is ready to share power with the Hungarian Socialist Party [MSZP]. I do not use the terms "lies and fraud" in political debates. However, the people formulate tough things, and they cannot put up with such a turnabout, because they feel cheated. I do not believe either that the SZDSZ could make itself suitable for cooperation with the KDNP in the last moment.

[Bartha] What about the socialists?

[Fuzessy] There is still no approach between the MSZP and the KDNP. I came to know several outstanding people among them who did a lot for the change in the regime, and I am also sure that they did all that out of patriotism and with patriotic conviction. However, these people were forced out of the party or were put into a quarantine within the party. They cannot assert their voices and opinions. Although in its statute, the MSZP also favors the national idea and actions, it nevertheless fails to distance itself from those who played a leading role in the anti-national policy of the last 40 years, a policy that supported foreign oppression. We also miss their distancing from those who played a leading role in quelling the national revolution [of 1956] and in the ensuing repression. Talleyrand used to say about the return of the Bourbons that they did not forget anything and did not learn anything. The same applies to the MSZP.

[Bartha] What about the Hungarian Democratic Forum [MDF]?

[Fuzessy] They are not our enemies or opponents, but our competitors with whom we must compete in an honest fight. The prospects of the KDNP are better in this struggle in the long run. Our ideology is clearer and easier to outline and this will definitely be felt in four years' time, if not now.

[Bartha] What about the Smallholders' Party [FKGP]?

[Fuzessy] It is enough to have a tripartite government with the Fidesz and the MDF.

[Bartha] You have not even considered the possibility that the MSZP might also be the winner?

[Fuzessy] Nothing is impossible. Then, the president of the republic will ask them to form a government. They will return this mandate because they cannot form a majority coalition. But the second largest party, the MDF, will be able to form a majority government with the Fidesz and the KDNP. There are real chances for this.

[Bartha] There are rumors according to which your precondition for a coalition is that your refuse to spend a single moment more under the same roof with Tamas Szabo and Geza Jeszenszky.

[Fuzessy] It is certain that the KDNP will not form another coalition like the one in 1990, a coalition formed without any guidelines and conditions. Although, as the deputy chairman and later the head of the parliamentary group of the KDNP, I formulated the conditions and exact rules of coalition cooperation at the time, this "work" of mine did not succeed. The MDF rejected it, the Smallholders did not even bother to give an answer, and I also found myself in minority in my own party. I am convinced that this must not be repeated in any circumstances. The KDNP can only join a coalition on the basis of precisely-formulated and detailed rules. No matter which party we are talking about.

[Bartha] Many people said about your speech last week that it was not only the program speech of the KDNP but also that of the party's candidate to the position of chairman.

[Fuzessy] It was definitely not meant to be one. My goal was to sit down calmly for about two hours in the rat race of the election campaign and think our situation over and examine our conscience. The decision to call up the national committee after the local government elections is still valid, and this committee will decide on organizational, statute, and personnel issues. It would only be justified to hold this meeting earlier if the party failed to achieve the results it hopes for in the elections. However, in my opinion, there is no such danger.

Smallholders Party's Joszef Torgyan

AU250415069 Budapest MAGYAR HIRLAP in Hungarian 21 Apr 94 p 5

["Cs.I."-signed interview with Jozsef Torgyan, chairman of the Independent Smallholders Party; place and date not given: "The Victor Always Finds Friends"]

[Text] The renewal of the nation needs a leadership ready for sacrifices, a leadership accepted by the population—Jozsef Torgyan said in the series of interviews we are publishing with the heads of political parties that presented an election list. The chairman of the Independent Smallholders Party [FKGP] is sure that his party will be one of the winners in the elections.

[MAGYAR HIRLAP] Four years ago, the still united FKGP received 11.7 percent of the votes. Listening to your speeches, it seems that you are almost certain that the party will far exceed this figure this time.

[Torgyan] You must know that you are talking to the possible winner of the elections. Despite the situation of immense discrimination against us and despite the fact that we are under constant fire and that, near the pseudo-opposition that signed a pact, we were the only real opposition party in Hungary, we not only revived our party but also won over considerable masses of people, and this clearly proves that the FKGP is one of the potential winners of the elections. I think the Hungarian people are sober and careful enough to be able to understand why there is a deliberate silence about Jozsef Torgyan and the FKGP. The government achieves exactly the opposite effect: It is possible that, with this attitude, [Prime Minister] Peter Boross helps us win a tremendous victory and, in case we win, I will publicly thank him for this in a very polite manner.

[MAGYAR HIRLAP] Does your party's division hinder the achievement of such results?

[Torgyan] Some 99.9 percent of our members support us. We have never made it a secret that the gates are open and we welcome any group of any name, no matter what they call themselves: democratic smallholders, conservative smallholders, national-oriented, or not national; we welcome the members, but God save us from the betraying leaders! A party whose chairman is only busy with cursing Jozsef Torgyan! I do not think that this would be an adequate program in the elections. It is clear that the current government created and maintains the United Smallhodlers' Party, and it is no accident that, behind their backs, people call them the party of ministerial armchairs. This party will end up on history's garbage dump after 8 May, and no one will have to deal with these issues ever again. We have ceased to deal with these issues for quite a while.

[MAGYAR HIRLAP] Your personality will surely bring many votes for the FGKP in a certain circle, but is there a real program behind the declared promises, a program that can be implemented?

[Torgyan] We are the only party that clearly stipulated in its program that in case of an election victory, we will carry out radical changes in all walks of life. It is worth pointing out, and we do not keep it a secret either, that in case we become part of the government, we will discard the Budapest-centered political activity and will replace it with a village-centered policy. We will create a top agricultural ministry to revive the Hungarian agriculture, and we will subordinate all the other sectors to this, including the foreign affairs. Basically, it is possible to restore the agricultural sector in two years. This is a full program that differs from every other party's program. We would also apply totally different solutions in legal matters, constitutional issues, the state apparatus, privatization, unemployment, and the national debt. National renewal requires a selfless leadership ready for sacrifices, and one accepted by the population. We stress that if someone gets a public function, he should not try to fill his own pockets; instead, he should fill the pockets of the voters he represents.

[MAGYAR HIRLAP] The FKGP has never named the desirable coalition partners. It is also true that, with the exception of the Hungarian Justice and Life Party and the Market Party, all the parliamentary parties distance themselves from the FKGP led by Jozsef Torgyan.

[Torgyan] I am not willing to cooperate with certain types of leaders. People who have ignored and disregarded constitutional methods so far, would be ready to do the same anytime. Although people did not pay enough attention, I always said that a party is one thing,

and its leadership is another thing. I am not sure that the parliamentary parties which you are taking into account now will have the same leadership after the elections. On the other hand, I start from the premise that a victor always finds friends. The question is whether the victor can calmly select. We want and will be able to select.

[MAGYAR HIRLAP] If things turn out that way, under what conditions would you accept the position of prime minister?

[Torgyan] I am a professional person who is absolutely aware that it is impossible to keep waiting for new parliamentary cycles to have a talented leader at long last. Nor can one wait until an untalented leader becomes somebody. On the other hand, one should examine the possibility of creating a social cooperation in which the whole population supports the prime minister, because it is impossible to get out of the current catastrophic situation in any other way. If the conditions for this cannot be created, one must not accept the position.

Green Party Chairman Zoltan Medveczki

AU2504150794 Budapest NEPSZABADSAG in Hungarian 22 Apr 94 p 7

[Interview with Green Party Chairman Zoltan Medveczki by Zoltan J. Gal; place and date not given: "A Small Mammal Among Dinosaurs"]

[Text] Before voting for a party, some 250,000-300,000 people in Hungary are first curious to know what party did what for environmental protection. The achievement of the Hungarian Green Party [MZP] is perhaps the biggest surprise of the election campaign so far: They succeeded in presenting a national list after gathering the nomination slips. The stormy phase in the history of the MZP began in the spring of 1993 when many people left the party. The views of the party's current leaders—like the view on the so-called neo-Zionism—have been repeatedly labeled as fascist. The national list of the 700-member MZP is led by Zoltan Medveczki. We interviewed the 31-year-old forest ranger and party chairman.

[Gal] Many people find your success surprising....

[Medveczki] This is not a success for us; this is below our expectations.

[Gal] What did you expect?

[Medveczki] We thought that the elections would enable us to finally prove that green politics is neither rightist nor leftist.

[Gal] Why? Where do you stand?

[Medveczki] In front. We could be called small mammals among the huge socialist and democratic dinosaurs.

[Gal] Your achievement is nevertheless surprising, all the more so because, as far as we know, you looked for candidates through advertisements.

[Medveczki] This is a professional way of selecting candidates. Nixon also answered a newspaper advertisement, and later he became President.

[Gal] All over the world, the green parties regard environmental protection as a major goal. What would you do for this?

[Medveczki] The MZP is also engaged in politics for the benefit of environmental protection, human protection, and health protection. Environmental protection should be treated as a symptom, and not as a cause. This means that we Hungarians should also use green technologies instead of the obsolete technologies. Most cars in Brazil are running with alcohol made from sugar cane. Sugar beet could be grown along the highways in Hungary, and then the cars would also be running with alcohol here. And we would only laugh at the Arabs if they increased the oil prices in the meantime.

[Gal] If I understand it correctly, surplus sugar cane is used for fuel production in Brazil. In Hungary, however, all that produce that would give way to the planting of "fuel sugar beet" would be missing. Am I mistaken?

[Medveczki] Nothing would be missing. We are growing wheat in vain along the highways. In addition, this way, we also eat the lead together with the bread, and then we are surprised to learn that Hungary has the biggest number of cancer cases.

[Gal] You often declared that you support the construction of the power station at Nagymaros. You must be quite alone with this opinion.

[Medveczki] We start from the premise that a lot of money has been invested in the construction of the dam. We are also aware of the advantages of such a dam.

[Gal] But there is no water in the Danube.

[Medveczki] This is precisely the point! The Danube is carrying less and less water and, therefore, dams are essential. Such dams should be constructed in as many places as possible, because these dams modify the unfavorable climatic effects and increase the level of ground water. Besides, the secretary of the MZP was the first person who refused to listen to anyone here and went to Slovakia to get information there.

[Gal] We quote from your party's leaflets: "Hungarians should eat Hungarian fruit, including apples from Szabolcs, peaches from Kecskemet, watermelons from Csany." They should?

[Medveczki] The consumption of national plants is the basis of our national independence. It is a proved fact that everyone should eat the products of the ecosystem in which he lives, because he can only digest this type of food.

[Gal] Another slogan: "Among the political organizations in Hungary, it is only the Green Party that is deliberately fighting against the following monstrosities: prostitution, homosexuality, an immoral way of life.... microwave ovens, Teenage Mutant Ninja Turtles, and McDonald's." How does a political party fight against prostitution, homosexuality, and an immoral way of life?

[Medveczki] We would inform the people that there would be no need for prostitution with an adequate sexual culture. Prostitution and homosexuality are the hotbed of AIDS. However, these monstrosities are constantly advertised in Hungary. No children will be born from a relationship between two homosexuals, and we would not like to see the Hungarian nation disappear from the Carpathian Basin.

[Gal] I think this violates human rights and also the Constitution of the Hungarian Republic.

[Medveczki] If the homosexuals start thinking, they will realize that we are also fighting for them by strengthening the role of the family with our positive advertisements. We Green men like women, and the Green women like men.

[Gal] The MZP also set up a police group and a defense commando unit. What for?

[Medveczki] We will defend not only others, but also ourselves against those who attack us.

[Gal] A commando unit attacks, it does not defend.

[Medveczki] The condition of acceptance in this unit is a basic knowledge of aikido. This combat sport uses the attack energy for defense. If you want to hit me, I will not kick your head off, I will only defend myself. Besides, this commando unit has various tasks. We will have to face tremendous catastrophes in the near future, and this might urge people to blow up the nuclear power stations. The life defense commando unit would find these people and neutralize them.

[Gal] You also declared war on the so-called neo-Zionism. What is that?

[Medveczki] More correctly, it is pseudo-Zionism. We would like the Arab-Israeli conflict to end. Both Jews and Arabs should be informed that they are not the ones who confront each other in this conflict; those who are inciting this war are the ones that confront each other.

[Gal] People find several similarities between the symbol of the MZP and the Nazi symbol.

[Medveczki] I would suggest those who judge our party on the basis of such outside appearances to try to use this on the United States or the FTC [a Budapest soccer club], because these two organizations also have the same eagle in their symbol. It is strange that the orange used by the Federation of Young Democrats in their advertisements does not bother anyone, although the orange is a non-Hungarian fruit.

Party Views on Border, Minority Issues Noted

AU2504150394 Budapest NEPSZAVA in Hungarian 22 Apr 94 p 5

[Text] Would your party be willing to lay down the unchangeability of current borders in basic treaties with the neighboring countries? If not, then with which country would you refuse to do this?

Gyorgy Fabri, Agrarian Federation: "Good-neighborly relations with the states of the east European region and the establishment of a viable system of relations is a distinctly important goal of our foreign policy concept. With this in mind, we are willing to lay down the recognition of the current borders and their unchangeability in basic treaties with all neighboring countries."

Karoly Herenyi, Hungarian Democratic Forum: "The term 'unchangeability' actually means a ban on all changes. The international agreements in force do not suggest and do not even allow any such categoric bans. Together with the other democratic parliamentary parties, we also claim that, in agreement with the international norms, the given populations, the given countries, and the international community, border changes are theoretically possible. It is a different matter that, rather than at border changes, Hungary's political endeavors are directed at achieving that all national minorities be able to live within such an institutional and political framework that makes it possible for them to survive within the current borders. The establishment of such circumstances also guarantees the security of the states, and the inviolability and stability of borders. We would like to have these included in the treaties with our neighbors."

Istvan Szent-Ivanyi, Alliance of Free Democrats [SZDSZ]: "According to the SZDSZ, Hungary will not need to initiate any kind of border changes in the future, either. We support the inclusion of this in basic treaties with all our neighbors, however, the signing of a basic treaty is a political gesture that also has to settle other important areas of bilateral relations, including the situation of the national minorities, and the expansion of economic and cultural links."

Lorant Benedek, Hungarian Justice and Life Party [MIEP]: "As various international agreements—including the Paris peace treaty and the Helsinki agreement—lay down the unchangeability of the current borders when the interested parties cannot both agree, the MIEP considers further such agreements completely unnecessary. In fact, more treaties like these would only serve the purpose that the neighboring countries that advocate this will be able to support their obviously false propaganda claim according to which the Hungarians are intending to aggressively conquer territories, and this is why these countries need to coerce Hungary to sign such treaties."

Laszlo Urban, Federation of Young Democrats [Fidesz]: "In the Fidesz's view, the basic treaties are suitable for

settling the situation of national minorities living beyond the borders. Therefore, it supports the signing of these treaties, especially with those neighboring countries where Hungarian minorities are living. However, negotiations on the Romanian and Slovak treaties have been suspended. Both these neighbors insist that Hungary again declare in the treaty that it does not want any border changes (neither in violent nor in peaceful ways). On the other hand, Hungary wishes to receive institutional guarantees in the basic treaties on settling the situation of national minorities.

"Hungary does not want to change the borders through either violent of peaceful ways. The Fidesz cannot see any obstacles to including these in the basic treaties. At the same time, it considers it important for the basic treaty to also contain a section on national minorities. The views of the Hungarian minority have to be taken into consideration when drawing up this section.

"The Fidesz urges the signing of basic treaties with the neighboring countries as a culmination of good-neighborly relations. However, it is important to establish a system of diverse bilateral agreements because, without these, the basic treaty would be a formal act without any content."

Gyula Thurmer, Workers Party: "The Workers Party wishes to base our relations with the neighboring countries on three pillars. We are offering a treaty in which we first declare that we do not want to change the borders. Second, we mutually ensure the rights of national minorities in accordance with the European norms and the possibilities of the affected countries. Third, we put down in writing that we cooperate in all areas."

Gyorgy Janosi, Hungarian Socialist Party: "It is expedient to sign the basic treaty with Slovakia and Romania as soon as possible. In the documents, the current borders have to be confirmed, and the guaranteeing of national minority rights in accordance with the European norms has to be stipulated. After the the South Slav crisis is settled, we will immediately have to begin placing our relations with Yugoslavia and Serbia on new foundations. Using the opportunities that will arise from signing the basic treaties, we further have to expand our relations with Croatia, Slovenia, and Ukraine. Also bearing Hungary's security policy interests in mind, there is no alternative to historical reconciliation."

Marica Korondy, Mrs. Balla, Independent Smallholders Party [FKGP]: "According to the FKGP's foreign policy program, the Hungarian Republic has to observe the Helsinki Final Act that was also signed by the Hungarian Government. Hungary is not intending to change the borders, and it sees Central and Eastern Europe's stability and security in recognizing the region's national minorities as political entities. It is unnecessary to surrender our future rights in the basic treaties with the neighboring countries. At the wish of the Hungarians in the neighboring countries who were forced into a minority situation as a result of the Paris peace system, a system of viable autonomies has to be established, and this way, the transparency of borders can be achieved when the border issues will no longer need to be raised."

Zoltan Kiraly, Social Democratic Party of Hungary [MSZDP]: "If the MSZDP gets into a position to make decisions, then it would be willing to lay down the unchangeability of the current borders in basic treaties with neighboring countries."

MON Head Meets NATO Representatives

WS2204130294 Warsaw RZECZPOSPOLITA in Polish 22 Apr 94 p 21

[Article by W.K.: "Poland-PFP; We Are Not Taking Part in a Race"]

[Text] The issue of Poland's participation in the "Partnership for Peace" [PFP] program was the main subject discussed at the meeting between National Defense Minister Piotr Kolodziejczyk and representatives of the embassies of the NATO states. At the meeting, which was held yesterday in Helenow near Warsaw, the National Defense Ministry [MON] head stated that on 25 April a delegation of MON and the Ministry of Foreign Affairs would submit a so-called presentation document in Brussels.

The minister expressed his hope that today the government would accept this document. The presentation document should be submitted by the states that want to take part in the PFP program.

Kolodziejczyk stressed that,even though Poland was the first state of Central and East Europe to prepare a draft of the document, this should not disturb other states of our region in their striving to achieve NATO membership. The minister added that the document had been discussed with the Visegrad Group states. "We are not taking part in any race," he pointed out. He also said that, at the meeting, a lot of attention had been drawn to the issue of the consultations mechanism included in the PFP.

In Helenow, the problems of European security, bilateral and multilateral cooperation, and the financial aspects of participation in the PFP were also discussed.

Kolodziejczyk conceded that a weak spot in the structure of the Polish Army is the issue of constitutional division between the powers of the civilian minister and the head of the General Staff.

Participating in the meeting were also, among other persons, Mieczyslaw Wachowski, minister of state in the President's Office, and General Tadeusz Wilecki, head of the General Staff.

Defense Officials Discuss Policy, Budget

LD2204191094 Warsaw Radio Warszawa Network in Polish 1700 GMT 22 Apr 94

[Text] [Announcer] Poland finds itself in a lucky period, where there are no real threats, Jerzy Milewski, the deputy minister of national defense, said at a specially organized discussion meeting at the National Defense Ministry [MON] on Polish defense policy.

Another participant in the discussion, Andrzej Karkoszka, a department director in MON, pointed at the danger for Europe that ensues from conflicts of the so-called old type—that is, national, ethnic, and religious ones. In his opinion, hopes to prevent such conflicts should be attached with UN and CSCE actions.

[Begin recording of unidentified official] Poland cannot build its own security around its borders on its own. Poland must base this security upon a broader system: from the global one, through the regional—that is, the continental one—to a subregional one. We know that every greater conflict in Europe rolled across Poland or involved Poland, and vice versa. We hope that our security, in connection with the above, will be linked to that broader security. [end recording]

[Announcer] The small budget of the Defense Ministry was pointed out in the discussion. It was recalled that an average Pole pays 10 times less for defense than a German citizen. Asked if Poland can afford to modernize its Armed Forces, which would help give us full NATO membership, Minister Milewski replied:

[Begin Milewski recording] There are no defined requirements by the NATO side concerning the size of our defense budget. On the other hand, we know the size of the financial burden carried by societies in countries that are current NATO members. We believe that, if 3 percent of the gross national product is assigned for the Polish Republic's defense budget, and if we have some sort of an assurance that this figure will be maintained in the next five to 10 years, we will find that such an amount, albeit a minimal one, will be sufficient to meet our aims. [end recording]

Minister Holds Briefing on Miners Strike

LD2504171394 Warsaw PAP in Polish 1616 GMT 25 Apr 94

[Text] Warsaw, 25 Apr—The miners are intensifying their strike action, reducing deliveries of lignite to power stations, Industry and Trade Minister Marek Pol reported at a news conference today. He noted that for three days now he has been inviting the protesting miners for talks with representatives of the government and the employers, and he is awaiting their response. The department is not setting any preconditions, Minister Pol declared.

The minister reported that Decision No. 30 [setting up holding companies] of 23 March has not been in force since its suspension by the department. According to him—and the trade union confederations are aware of this—an unconditional annulment of Decision No. 30 could be perceived as an indication that nothing will change in the sector for many years to come. "I do not want to give such an indication because that would mean that the attempt to carry our reform in this sector has failed," Pol said, adding that the organizational structures in the lignite mining sector are based on obsolete legal provisions, while decisions about the functioning of the industry are still being made by the central administration.

It seemed to us, the minister stressed, that, during our earlier talks with the trade unions and employers, we had reached a consensus on the general form of transformations in the lignite sector. "I would be willing to use the word 'annul' if the unions expressed their readiness to get down to talks and their will to carry out structural transformations," he added.

Minister Pol denied rumors that restructuring will mean redundancies. "No one is going to eliminate jobs in the lignite mining industry because it is the source of generating the cheapest energy in Poland," he said. He also added that no other work enterprises have the two-year employment stability guarantee received by this sector.

Asked by a PAP journalist whether the minister knows the contents of the letter from the striking miners to Prime Minister Pawlak, in which the miners maintain that any further correspondence between them and the department is pointless, Pol said he learned about the letter from the media.

Pol reported that, although the current power generation factor is 20, no exports of electric power have been stopped because this would incur very high contractual penalties. On the other hand, for several hours now, we have been importing electric power from the Czech Republic, Slovakia, and Hungary within the so-called natural exchange, which means that we will have to return this power in the future.

Jerzy Tabaka, director of the National Power Control Center, told the journalists that, under the current power-generation factor of 20, some work enterprises will have to reduce their electricity intake by powering down installations that are not directly involved in their production processes. "The national power system is operating without reserves," he added.

Solidarity Strikes Seen as 'Political'

LD2504163194 Warsaw PAP in Polish 1332 GMT 25 Apr 94

[Text] Lublin, 25 Apr—Sejm Deputy Izabella Sierakowska, deputy chairwoman of the Social Democracy of the Polish Republic, said at a news conference in Lublin on 25 April that the present strikes organized by Solidarity are political.

Sierakowska said: "The government is taking steps, wants to negotiate, and does negotiate, and I think that a typical political struggle is now taking place. Any blow against the power sector, the linchpin of the economy, amounts to a real tragedy. We are already importing electricity, and a situation may arise whereby some power-generating sets will never work again, and what will happen to the people working there?

"The wages in the power sector are very high, and extremely good social benefits, to which any other professional group is not entitled, are envisaged for people who may be sacked from this sector," Sierakowska said. She added that she is concerned about Mr. Krzaklewski's personal involvement and the fact that he keeps repeating: You must talk to me separately. "As it happens, Solidarity is just a trade union, like any other union," she said.

Poll: President, Police Losing Social Confidence

WS2604090494 Warsaw GAZETA WYBORCZA in Polish 26 Apr 94 p 3

[Report compiled by "knysz": "Center for Research on Public Opinion—Confidence Fluctuations"]

[Text] *The president and the police are losing confidence among the people. Meanwhile, the Army, television, and church continue to hold strong positions.*

Both the president and the police have lost the confidence of 8 percent of those people polled over the past month. The survey was conducted at the end of March, which was after our article on corruption in the Poznan police department appeared and after the president dismissed Marek Markiewicz from the post of chairman of the National Radio and Television Broadcasting Council.

Those who were polled also have somewhat less confidence than a month ago in the two trade unions—the All-Polish Trade Unions Agreement and Solidarity (a fall of 3 percent, but the change is within the statistical margin of error).

The confidence ratings of the Sejm, the senate, the government, the Army, television, and the church have not changed.

* * *

The poll was conducted on 23-29 March, utilizing a random, representative sample of 1,197 adult Poles.

Reportage on New Freedom Union Party

Mazowiecki Elected Chairman

LD2304223394 Warsaw PAP in Polish 2158 GMT 23 Apr 94

[Text] Warsaw, 23 Apr—On Saturday, just before midnight, the first national congress of the Freedom Union, a party that has been formed as a result of the merger of the Democratic Union [UD] and the Liberal Democratic Congress [KLD], elected Tadeusz Mazowiecki the chairman of the new party. KLD Chairman Donald Tusk has been elected deputy chairman.

Mazowiecki received 623 votes, with 57 votes against, and Tusk received 633 votes, with 48 against. The election took place in accordance with agreements reached earlier by the UD and KLD Presidiums.

National Council Members Elected

LD2404115794 Warsaw PAP in Polish 1101 GMT 24 Apr 94

[Text] Warsaw, 24 Apr—Hanna Suchocka, on the Democratic Union [UD] ticket, and Janusz Lewandowski, from the Liberal Democratic Congress [KLD], have received the largest numbers of votes in the elections to the National Council of the Freedom Union [UW]. Such results were announced on Sunday at the first UW National Congress.

Tadeusz Mazowiecki, the leader of the party, and Donald Tusk, deputy chairman, enter the Council automatically.

Among the Council's members who have a UD pedigree, Jacek Taylor came second and Andrzej Potocki third. On the liberals' list were Michal Boni and Jan Krzysztof Bielecki, respectively.

Policy Outlined at News Conference

LD2404142794 Warsaw PAP in Polish 1311 GMT 24 Apr 94

[Text] Warsaw, 24 Apr—The merger of the Democratic Union and the Liberal Democratic Congress was the only logical solution for our parties, Tadeusz Mazowiecki, chairman of the Freedom Union [UW], said on Sunday at the first news conference held by the new party.

Commenting on the fact that Jacek Kuron refused to be a candidate for the leadership of the new party, Mazowiecki expressed his regret. "I know that the comments on this matter will be unfavorable. I tried to persuade him to put his candidacy forward, but he did not want to do it. However, this fact does not change our respect for Jacek Kuron," he emphasized.

When asked whom the Freedom Union would support in the presidential elections, he said that the UW would definitely not support a candidate of the Democratic Left Alliance or the Polish Peasant Party, and that the attitude of the UW towards the present president was critical. He stressed that, for the time being, his party would not comment on the matter "in order not to attract any blows. However, the time will come when we shall make a statement."

It is not yet known what the logo of the new party will be. It has only been established that it will be blue.

Says Rebirth Process 'Under Threat'

LD2404122294 Warsaw PAP in Polish 1107 GMT 24 Apr 94

[Text] Warsaw, 24 Apr—The congress of the Freedom Union adopted a resolution today that says the process of rebirth of the state and its economy, initiated in 1989, is under threat. The congress obliged the party authorities to prepare a strategy for "the second step along the road of reforms in Poland."

The national congress found essential the earliest possible setting up of specialized secretariats to analyze the situation in particular spheres of social and economic life. "Their joint task would be to formulate the strategy of the second step along the road of reforms in Poland and winning its allies' and social partners' support for it," the resolution reads.

People heading these secretariats would constitute a sort of "shadow cabinet."

PSL Council Views Concordat, Economy

WS2504092094 Warsaw NOWA EUROPA in Polish 25 Apr 94 p 2

[Unattributed report: "Prime Minister on Economic Growth; PSL Chief Council Session"]

[Text] *On 23 April the Chief Council of the Polish Peasant Party [PSL] spoke out in favor of a treaty concluded between Poland and the Holy See in 1993. The council also expressed its conviction that the June elections to gmina [small administrative units] councils will be the most important political event that will enable the establishment of representative authorities for the next four years. Prime Minister Waldemar Pawlak informed the meeting's participants that the inflation level did not exceed 5 percent in the first quarter of this year, which means it was the lowest level in seven years. During the same time frame, output rose by 10 percent.*

The resolution states that the concordat regulates relations between two subjects of international law—that is, Poland and the Vatican—by defining general rules for cooperation between church and state. Aleksander Bentkowski reminded the participants that, in the document, both parties recognized each other's internal legal provisions and obliged themselves to respect those provisions. The resolution regarding the document was adopted by an overwhelming majority of votes, and it was also stressed that the PSL regards it as harmful to introduce disputes on the concordat into political campaigns and that that is why the council spoke in favor of an accelerated rate of proceedings to ratify the concordat.

"The economic indicators are optimistic, and, from an economic standpoint, the situation is quite good," the prime minister said. In the opinion of the government's chief, after an analysis of wages and salaries in the first quarter, there are no reasons for concern. As Pawlak reported, wages and salaries in March rose by about 14 percent and 8.8 percent, without taking into account salaries from profit [not further specified]. "And we should keep in mind that, in terms of time, March is 12 percent longer than February," the prime minister stressed.

W. Pawlak expressed his hope that talks will be initiated between the government and the striking miners, and that the problem will be solved to the employees' advantage.

Social Democrats Hold Meeting 23 Apr

Debate PSL Ties, Economy

WS2504112494 Warsaw GAZETA WYBORCZA in Polish 25 Apr 94 p 3

[Article by Agata Nowakowska: "Salons and Jeans"]

[Text] *"How to live with the Polish Peasant Party [PSL], our coalition partner, and how to get rid of the snouts of the 'liberals'"—these topics were discussed during the 23 April session by the Social Democracy of the Polish Republic [SdRP].*

The delegates declared their loyalty to the PSL members, and they expect the PSL to respond in kind.

We Demand Loyalty

"Waldemar Pawlak wants deputy prime ministers to execute the government's policies, not to cocreate them. He regards the Council of Ministers' Economic Committee as a forum for discussion, the decisions of which can be changed without reason," Sejm Deputy Marek Borowski, former deputy prime minister and finance minister, fulminated during the SdRP session. "One must define with precision who is responsible for what in this government. This is not a coalition but a case of PSL domination."

Borowski added that the "hesitant" PSL is also to blame for Lech Walesa's successes in his little games with the government. He also admonished his colleagues from the Sejm deputies club for creating a "joyous legislative legacy" and for lack of discipline during votes. This time, Borowski said, the disciplined PSL should be an example to follow.

"The SdRP, while expressing its respect for agreements that have been signed and loyalty and understanding vis-a-vis the coalition partner, expects the same from the partner," the convention's resolution reads.

Rakowski's Attack

Journalists expected fights between the party "liberals" and "social democrats." They were hoping for a Kwasniewski-Rakowski polemic exchange, especially given Rakowski's article published in POLITYKA, in which he mercilessly attacked the SdRP leader and party policies. Rakowski wrote that "social democrats are wearing liberals' pants" and that they want "capitalism with a human face." Rakowski's suspicion is that some SdRP leaders would prefer to be supported by entrepreneurs than by workers. He expressed his indignation at "social democrats' active participation in the building of capitalism in Poland"—he means Privatization Minister Wieslaw Kaczmarek—and at the "we want to be in NATO" demands. Rakowski accuses the leaders of having abandoned the "It doesn't have to be that way anymore" slogan after the elections, and he is critical of Kwasniewski for his confession that he feels closer to the Democratic Union than to the PSL.

Many other party members have similar views to those of Rakowski. They call themselves "Millerists" (meaning they are supporters of Leszek Miller), as opposed to the liberal "Aleksandrists."

While not making any references to Rakowski's article, Kwasniewski engaged in polemics with Rakowski and the "Millerists": "The SdRP must fight for economic development. It would be a tragedy if left-wing rule were to bring to mind inflation, economic chaos, and breach of ties to international institutions." He added that "there are no miracles": there is no way that promises can be fulfilled all at once—for instance, elimination of the popiwek [wage-controlling legislation].

Kwasniewski then disappeared along with Rakowski, and, when he returned, he ostentatiously hugged Rakowski.

Social Democrats' Grievances

Only a few activists took the floor during the exchange because Kwasniewski made an appeal to his colleagues not to give journalists a reason to launch an attack on the SdRP.

"We were strengthening party unity at the expense of program-related debates," Waldemar Czajkowski, a delegate from Katowice, expressed his regrets. He speculated on the relationship between the views of some activists—for instance, on the issue of privatization—and a provision in the party statute saying that the SdRP is a party of democratic socialism. By saying this, he was definitely making a reference to Borowski, who had spoken out some time before that on the need to speed up privatization.

Ryszard Olow from Suwalki expressed his criticism of Kwasniewski's apology to the Solidarity groups: "I have no idea why the apology. Who will apologize to us for the four years, I'm asking?" He also demanded changes at the local level because all that has happened so far has been that politicians from Rozbraty (the SdRP's headquarters) moved to the Sejm building on Wiejska Street.

Unity in a Multitude

Whereas in the main meeting hall the poor elocution by some Sejm deputies was debated, and delegates showed each other black and honey yellow briefcases they were given as gifts (malicious journalists have calculated the party spent over 60 million zlotys on the gifts), a livelier debate took place unofficially over glasses of beer: "Rakowski is right. Some members of the leadership are closer to salons than to people wearing workmen's jeans. We must be returning to the period of the Polish People's Republic. We must defend the people and the achievements of an economy on the basis of social criteria, and not just on a free market," one of the delegates told us.

"If it were not for Kwasniewski, we would no longer be here. We owe our election victory to him," another delegate was trying to convince me. He added that the SdRP leader is an efficient politician, a pragmatic person who knows economic realities and not a populist. He

also expressed his praise for Kwasniewski for, among other things, the party's most recent success—that is, the announcement of introducing activists from the Democratic Left Alliance into the "Belweder ministries" (Defense, Foreign Affairs, and Internal Affairs).

The entire party leadership received a vote of confidence from the delegates. "This does not prove anything. It has always been the case here that one complains kind of unofficially, but when it comes right down to it, everybody raises his hands anyway," one of the delegates was trying to convince me.

Kwasniewski Addresses Convention

LD2304134694 Warsaw PAP in Polish 1211 GMT 23 Apr 94

[Excerpt] Warsaw, 23 Apr—Opening the convention of the Social Democracy of the Republic of Poland [SdRP] in Warsaw on Saturday, party leader Aleksander Kwasniewski outlined its most important tasks: the stabilization of the state, economic development and integration with European structures on a partnership basis, decentralization, and self-government reform.

He said: We should understand Polish democracy as a democracy of compromise and not of conflict, as many of the president's advisers put it. The SdRP can be one of the authors of the new constitution. We must fight for economic development. It is inadmissable for left-wing governments to be associated with inflation and to lead to economic chaos.

Kwasniewski acknowledged that a positive aspect of the government coalition's activity had been the breaking of the stereotype that the coalition's creation would mean a departure from reforms and that it would continue Poland's international isolation. The government has been successful, according to the SdRP leader's assessment, in building a market economy, where economic actions are not isolated from social processes.

In the campaign before the local self-government elections and the struggle for authorship of the reforms, Kwasniewski expects the SdRP to be attacked by both the right wing and the central-liberal groupings, as well as by the media, whose attention is focused on the weaknesses and setbacks of his party. [passage omitted]

Interviewed on Left Wing, Coalition

WS2504160094 Warsaw TRYBUNA in Polish 23-24 Apr 94 pp 1, 8

[Interview with Aleksander Kwasniewski by Ewa Rosolak and Dariusz Szymczycha; place and date not given: "Wedding and Marriage Are Two Separate Things"]

[Text] [TRYBUNA] Is the leader of the Democratic Left Alliance [SLD] as satisfied as he was on 19 September?

[Kwasniewski] Wedding and marriage are two separate things. Of course, the election victory gave us great satisfaction. We proved that there is a demand for the left wing in Poland and that, despite having been condemned to political nonexistence, we managed to present a rational program and people who are worthy of support.

[TRYBUNA] And the challenges that you have been facing did not reduce your satisfaction?

[Kwasniewski] Everything we have been facing since the elections is much harder and less pleasant than the campaign or the elections themselves. The SLD was faced with very specific and complicated problems, beginning with the formation of the coalition, maintaining very weak reforms, dealing with a very neglected social area, fighting unemployment, the poverty of many people, and changing inefficient ways of implementing social policies and privatization.

The SLD also had to prove that the contemporary Polish left wing not only is no threat to democracy but that it strengthens democracy, and we also had to prove that the victory by the SLD and the Social Democracy of the Polish Republic [SdRP] does not mean a return to the old system, undemocratic ways of ruling, and a centralized economy.

[TRYBUNA] Do you not think that the SdRP failed to consume the election success to a sufficient degree?

[Kwasniewski] I would like to separate these issues. I think it is quite natural and a consequence of democratic principles for a party that has won the elections to coform a government, its members becoming the ministers, and the party holding a dominating position in the state administration. And I reject all accusations that this amounts to booty sharing or fighting for posts.

In Poland, we must get used to victorious parties implementing their mandate after the elections, and the mandate is a consequence of the election results—these parties simply build their personnel structures and look for instruments that will allow them to act. In that sense, I do not think there is anything wrong with replacements at the posts of voivodes [local governmental officials] or in ministries, provided, of course, that these replacements are not purges.

The SLD approached the election results with great responsibility and deliberation. We are the kind of party that imposed limits on itself. I regard it to be a virtue and not some evidence of weakness or a mistake. The fact that we managed not to fight for the post of prime minister—to which we had a right—despite having won the elections, the fact that we did not demand specific numbers of ministers and deputy ministers in accordance with mathematical proportions but were rather guided by the candidates' skills and human values, not their party membership—I regard all that to be a virtue, as well.

[TRYBUNA] We used to say that Solidarity elites acted differently when in power and in the opposition. Can we not apply the same saying to the SLD and the SdRP?

[Kwasniewski] I think the problem of acting differently in the opposition and while in power is generally a big problem of the relationship between authorities and society in Poland. That problem is a huge burden left by a difficult historical legacy.

Today, there is a problem and a challenge at the same time: On the one hand, the question is how to be in power so that citizens are aware that they and their issues are at stake and not some incomprehensible ideas or values? On the other hand, the question is how to shape in Poland the kind of statehood awareness under which people would identify themselves with their own state, would respect the legal system, would be proud of living here and now, and would be able to defend their state's dignity in contacts with the outside world?

[TRYBUNA] To what extent have you, the SLD and the SdRP, changed by being in power? To what extent have you abandoned the earlier program principles?

[Kwasniewski] Right after the elections, people were being told that the election promises were not being fulfilled. I can see two problems here: The first is that many promises or program principles simply cannot be fulfilled immediately. And the other problem is that some of the promises were kind of imposed on us—they were not written down by us anywhere. We did not say that we will find the resources for some gigantic social programs as early as in the 1994 budget, and that is because we knew that the budget was going to be burdened with an enormous deficit and that there is no particular room for maneuver, unless the maneuver is to lead to a disaster or to a very short-term effect in the form of inflow of money, inflation, and a breakdown of public finances.

[TRYBUNA] What happened to the SLD's and the SdRP's left-wing nature at the time you assumed power?

[Kwasniewski] We have been trying to show and implement that left-wing nature in a very rational and sensible manner—first of all by establishing budget principles. We said outright that there can be no further cuts in expenditures borne by senior citizens, by the budget sphere, by science, culture, the educational system, and we also said that one must look for additional sources of revenue. We went in the direction that would definitely never have been chosen by liberal right-wing governments—that is, we increased taxes.

Second, we initiated a more determined fight against the so-called gray zone by setting in motion customs and financial mechanisms that are designed to cause an increased inflow of money to the budget. Third, we are in favor of comprehensive changes in social policies. These are clear signs of our left-wing nature.

[TRYBUNA] According to the SLD voters, what you have been doing can be described at most as building "capitalism with a human face."

[Kwasniewski] In my view, what we have been doing is attempting to build a social and economic system that will be efficient and competitive and that will bring money to implement social programs—and that is in essence the entire socialdemocratic or left-wing concept that can be put forward today. I am convinced that ideological issues are of lesser importance today.

Our left-wing nature should demonstrate itself through a modernization of the systems of social care and assistance and of the entire social policy, but, on the other hand—and this may sound very liberal—we must take care of economic development. I remind all those who are critical of us, including those who used to occupy high posts in the past in the Polish People's Republic, that Poland was in a state of crisis, going on for many years, which was due not just to Reagan's sanctions but also to inefficiencies in the economic system that was in effect in Poland, despite various attempts of economic reforms, which, even though they were quite bold at times, were eventually torpedoed as a result of various political disputes.

[TRYBUNA] As chairman of the SLD and the SdRP, are you not afraid that your parties will suddenly lose to the left wing, like, for instance, the Union of Labor?

[Kwasniewski] One can lose to the left wing or the right wing. I would not regard that as a determining factor, neither in our thinking nor in our actions, and that is because, in my view, much more serious issues are at stake in Poland right now. What is at stake is the strengthening democratic institutions, the establishment of an efficient economy that will help resolve the unemployment problem and will result in increased budgetary revenues for social programs. What is also at stake is Poland's integration into the European arrangement, based not on asking for mercy or various credits but on the principle of our being a significant participant of that arrangement.

[TRYBUNA] According to critics, the SdRP is not supported by any kind of basis but only by an unstable electorate. They also say that the party is lacking a class nature [klasowosc]. Do you agree with this accusation?

[Kwasniewski] I cannot see how anyone could agree with that. A system of social classes as described in textbooks is fading away. But the SdRP—and I am convinced of that—is a party of employees. Modern social democracy does not offer just the protection of social interests to employees. That function is fulfilled primarily by trade unions. A political party that wants to represent the interests of employees must secure economic development and social justice in the process of consuming the aforementioned development.

[TRYBUNA] You [left-wing activists] have always wanted to join the Socialist International. What chances does the SdRP have now?

[Kwasniewski] I think there is an enormous opportunity in that regard. The stereotype perception of Poland is changing. There is nobody around anymore to say that, in Poland, the so-called postcommunist left wing has no social support. There is nobody to say that we are in favor of restitution of the old system and that we are not making efforts to adapt ourselves to democracy and a free market.

I also think that there is currently nobody in the West who would have doubts that there are no hopes that a social democracy may be born out of such forces as the Democratic Union [UD]. In that sense, there is clearly an increasing interest in our participation in the Socialist International. I experienced much to confirm this—for instance, during my talks in Spain, Norway, and Germany, and also in Budapest and Bratislava. I have faith that our case will finally be settled during a congress in the spring of next year.

I think the issue is of mutual interest. The International must have serious partners in East and Central Europe if it wants to avoid being pushed into the margin by the right wing. We also have an interest here because I think the maturity of many Western left-wing parties makes it possible to use their experiences.

[TRYBUNA] Two parties representing different interests and different types of voters form a coalition. According to many views, the coalition is quite chimerical. Why is that?

[Kwasniewski] A coalition is always a difficult creation because it is formed by partners with different experiences, expectations, and programs. That must be said outright. I know of no coalition in the world that would be free of conflict.

It is a misunderstanding, which is sometimes spread in society, to view the current problems of the Polish Peasant Party [PSL] and the SLD as having their sources in the old relations between the Polish United Workers Party and the United Peasant Accord. It is just a myth. We are dealing with different parties now, different leaderships, and a completely different generation of activists, who, in many cases, do not even remember the old days.

Of course, our partner's temperament and ways of action are quite different from ours. These are definitely issues that make life difficult, but they are not insurmountable.

One must say in all honesty that both sides are only shaping their place and position in this relationship on the basis of common sense and conviction.

[TRYBUNA] A view is prevalent that there is "original sin" lying at the basis of the current complicated relationship inside the coalition. What was that sin about? Was that when the individual members of the government were appointed? Was it your statement concerning UD [that the SLD is closer to UD than to the PSL]? Or was it that you gave up trying to win the post of prime minister?

[Kwasniewski] In my view, the SLD imposed a limit on itself. It made a decision on offering the prime ministerial post to the PSL, and we were right in doing so. We were eager for this government to be based on a majority, and we succeeded. I definitely think the attempt by our partner to act through accomplished facts was not too fortunate at a point when the government's composition was not yet settled. As far as my statement on UD is concerned, perhaps that was not too fortunate, but...

I think that, given the real arrangement of forces in parliament after the elections, only the SLD had the opportunity to form a coalition—with either the PSL or UD. Both coalitions could have been based on majorities. But it turned out very quickly that UD is not ready for that and is not capable of implementing such an idea after its election defeat....

I see no reason for the SLD, for instance, to choose just one partner currently. It is quite natural in politics to cooperate loyally with your coalition partner, but there are valves open also for others. The PSL also has such open valves.

[TRYBUNA] Political stability is a dream of society and of representatives of elites. What is currently the greatest danger to that stability?

[Kwasniewski] Given the unique chance that Poland has, the dangers are inside ourselves, and they are also a consequence of the inability to find compromise solutions and of a lack of persistence.

The world has shrunk enormously. Those people count the most who are able to introduce the biggest amount of the interesting and the effective into this whole arrangement of political and economic relationships. I think it would be bad if we were to lose the chance among disputes and selfishness. Selfishness is what I fear the most.

[TRYBUNA] What is your position on the "Kwasniewski for president" idea, which has been appearing more and more often and which is confirmed by approval expressed in public opinion polls?

[Kwasniewski] I am happy because of that. But, to be honest, in my view, the issue of presidential elections should not appear in serious political debates before the end of this year. The SLD has not made a decision on the issue, and neither have I.

[TRYBUNA] We thank you for the conversation.

Prospects for Economic Recovery Viewed

PM2604085494 Gdansk GLOS WYBRZEZA in Polish 16-17 Apr 94 p 3

[Interview with Professor Janusz Goscinski of the Warsaw University Administration Faculty by correspondent Ryszarda Socha; place and date not given]

[Text] [Socha] Professor Dariusz Rosati [candidate for the vacant posts of deputy prime minister and finance

minister] maintains that, during the past three months of the left-wing government, its policy line has been reoriented toward the goal of economic growth. Can we really discern such a change?

[Goscinski] Claims of having entered the path of economic growth were made even earlier that that, by Hanna Suchocka. I believe that talk about economic growth is an exaggeration, but it is fairly certain that we are no longer facing the threat of a recession, and there also are some signs of economic revival. Industrial output in February of this year was more than 10 percent higher than in February of last year. Nevertheless, it was still lower than in February 1989.

[Socha] Even so, we can presumably take it for granted that recession has been overcome, can we not?

[Goscinski] We have had so many months of successive growth that it can be regarded as a definite tendency. However, in my opinion, for the time being this trend is based on weak foundations because there is an absence of significant investment. Present outlays on investment, in both the state and the private sector, do not even ensure simple reproduction. Consequently, the technical condition of enterprises deteriorates steadily and that does not bode well in the long run. We can expect an economic boost when outlays on investment begin to grow faster than production.

[Socha] Prof. Rosati presented the tenets of his socioeconomic policy in the national press. How do you view his concepts? Is their author the person who can provide the answer our economy currently needs?

[Goscinski] Let me tell you what I think in perfectly unequivocal terms: Of all the economists I know, Rosati is to all intents and purposes the only one who has recently presented a sensible proposal that will give a realistic chance for our economy. It is hard for me to ascertain whether his administrative talents would make him a good prime minister or minister. He has not yet had a chance to prove himself in such a way. In this, we are reminded of Leszek Balcerowicz before him: After all, Balcerowicz, who was also a practising academic, later demonstrated that he was also a good administrator. Rosati seems to resemble him in this aspect. This is not to say that I believe that Marek Borowski [recently dismissed finance minister] was a worse proposition, but I am still personally inclined to value Rosati more.

[Socha] What do you believe to be the strongest point of his blueprint?

[Goscinski] First of all, his emphasis on the need to invest. Second, the absence of a fiscal angle, which was, unhappily, demonstrated by all of the earlier deputy prime ministers responsible for the economy. Rosati is the fist one who says that there is no need to increase taxation. On the contrary, he says the opposite. This year nothing more can be done in this matter anyway. The budget is as it is. And, if the president fails to sign the budget, I believe the Sejm will find the strength to reject the president's veto by a majority of two-thirds of all votes. The state cannot function without a budget, and it is pointless to go on using interim solutions. However, if Rosati is able to put his plan into practice next year, a decrease in tax liabilities would be quite realistic. This would, in any case, be closely connected with tax concessions for investment projects. You cannot strangle the economy with the taxation noose and then expect people to be willing to invest.

[Socha] GAZETA WYBORCZA promotes the view, articulated in its columns by Janusz Jankowiak, that Rosati is opposed to Balcerowicz's ideas.

[Goscinski] I do not share this opinion. I believe that Rosati's program would reinforce the functioning of free market principles in the economy, counteract inflation, and, at the same time, promote economic growth. After all, Rosati would not start from the same point of departure as Balcerowicz: He would begin at a point long after the one where Balcerowicz stopped.

[Socha] It seems rather obvious that the new finance minister must take into account both the positive and the negative results of the decisions made by his predecessors.

[Goscinski] Precisely. After all, a crisis of the public finance system had already begun toward the end of Bielecki's administration and was manifested with full strength during the Suchocka government; after all, a budget deficit usually grows with the speed of an avalanche. Please compare the balance of the 1992, 1993, and 1994 budgets. You will see that the sum doubles each time, while the inflation rate is no more than 30-odd percent. This means that the state's share in both public income and public expenditure keeps growing all the time. This is precisely the anti-Balcerowicz situation. However, it is not Dariusz Rosati or Marek Borowski that Mr. Balcerowicz should congratulate for this state of affairs: It is Suchocka and Osiatynski because it was they who created it.

[Socha] On the one hand, the average citizen keeps hearing about the new economic growth, so he naturally expects to see its effects influence the contents of his wallet, and, on the other, he keeps hearing about a "budgetary gap." He is made to pay ever higher taxes, while, at the same time, he is informed that there is not enough money in the kitty for hospitals, social welfare provisions, the upgrading of old age and disability pensions, the police, the Army, and virtually everything else. Consequently, many people ask themselves where their money really goes....

[Goscinski] Here, as it happens, I would be inclined to agree with Janusz Korwin-Mikke [Union for Real Politics chairman]. The more the state takes from and redistributes among its citizens, the worse the consequences for the public. Public officials are really not best qualified to decide what our money should be spent on. Of course, we cannot count on the assumption that the public sector expenditure will increase in the coming years. On the contrary, it is inevitable that the public will be burdened with the requirement to pay for an increasing number of public services. The problem lies in the fact that, at the same time, we are forced to launch new schemes and ventures, which we cannot

afford and which could perfectly well have been put on the back burner to await better times, such as the unfortunate brainchild of Suchocka's administration—that is, the creation of new districts. Just think how much money was sunk in that project. And what about each successive election campaign we have had? We know very well that trillions of zlotys [Z] were spent on them! And all in order to ensure that relations between individual power agencies were shaped in this or that way, according to the manipulators' intentions. The public has not benefited from any of that in any way. On the contrary, you could say that it is forced to meet the costs of the state's upkeep because the state does not know how to manage its resources....

[Socha] The economy is nowadays regarded increasingly as a field for political maneuvering or even political skirmishes. To begin with, Deputy Prime Minister Borowski became a casualty of this state of affairs. Now, the president seems to have eliminated Rosati from the competition even before the start of the game....

[Goscinski] It is not only the economy that is receiving such treatment—it is also the entire political system. A friend of mine from Canada asked me recently whether I saw even one true politician among all of the people involved in the discharge of power nowadays. I told him I did not—and he replied that he was fully in agreement with me. As he watched the situation from his distant position in Canada, for a short while after the 19 September [1993] election he pinned some hopes on Kwasniewski, who at that time was dubbed a likely "super prime minister." Unfortunately, Kwasniewski has shown himself to be a less than mediocre politician. After all, the Borowski affair began when Kwasniewski was absent on a visit to Davos. And immediately afterward, if I remember correctly, he went to Brussels, where he was as much use as a goat in a field of cabbage: just another deputy leading a group of delegates from his party's parliamentary caucus. Even as Borowski was offering to resign his post, he was convinced, in his political naivete, much as Clemenceau was in 1912, that his resignation would not be accepted and that he was actually holding everyone in check. The moves in these two political games were virtually identical. Kwasniewski returned from his trips abroad; he then assured reporters, who swarmed around him as he was leaving Pawlak's office, that everything was in order; then, in the evening, toward the end of the TV news program, Pawlak announced that he accepted Borowski's resignation. This was tantamount to a government crisis. However, at the same time, the Lillehammer Olympic games were starting—and, of course, Mr. Kwasniewski's attendance was absolutely indispensable there. So he left the whole mess behind and went to spend almost a week at Lillehammer. Surely this demonstrates complete political irresponsibility! Just imagine a situation where, in the face of the eruption of a major fire, the chief fire-fighting officer says: "I will attend to putting it out when I come back from my vacation." At that moment, Kwasniewski forever condemned himself in my eyes as a politician. If he had been president, the situation would have been just as bad as it is now with Walesa in that office. Neither one nor the other has the political imagination to visualize the consequences of his various political actions a week, a month, six months, or a year later. They just do not have what it takes to be a statesman.

[Socha] In view of the president's position, it would seem that there is not much point for the government coalition to go on insisting on Prof. Rosati's candidacy for the post of finance minister.

[Goscinski] Unless someone intends to provoke a deliberate conflict with the Belweder and use Rosati as a pretext.

[Socha] Even so, we should still regret if not the man, then his concept, which, if your prognoses were to come true, could bring us clear economic advantages.

[Goscinski] I believe that the president is actually interested in keeping the government as weak as possible. The stronger the government's social, economic, and political position, the more difficult it will be for Walesa to play his games with it. Whenever I hear anyone claim that what is at stake is Poland's interests or reasons of state, I cringe because it usually turns out that it is only someone's particular interests that are at stake.

[Socha] As I observe the number of sensible people who remain on the margins of political life and see that the supposed democratic mechanisms offer them no discernible support, I begin to fear more and more that we will either continue drifting in this way indefinitely or some compulsory shock therapy will have to be applied.

[Goscinski] THis is precisely what Lech Walesa is hoping for. In his eyes, such drifting—that is, indefinitely preventing a cohesive power apparatus from functioning properly—means that the only solution possible is an enlightened absolutism.

[Socha] But how many people would be inclined to see the embodiment of such "enlightened absolutism" in the person of Lech Walesa?

[Goscinski] I do not believe he realizes this. Politicians who are aware of their intellectual limitations are not particularly dangerous. The real danger is posed by those who are in love with themselves—and, which is worse, who reciprocate the sentiment!

[Socha] Professor, I keep returning stubbornly to economic issues. What happens to the economy when it is, as at present, left, so to speak, to its own devices?

[Goscinski] If it were left to its own devices, it would most probably not suffer too much damage, if I may say so. When that happens, the economy usually continues functioning, powered by the momentum of its own mechanisms. The problem is that, in our case, it is not left to its own devices. The other ministers in office keep up their activities, and each of them pulls in his own direction. You cannot say that there is no governmental intervention at all. But there is the absence of a conceptual center that would watch over the whole. And Prime Minister Pawlak does not have sufficient economic

knowledge, which he would need to have if he were to discharge the role of the head of such a center, or that of a coordinator of our economic policy.

[Socha] Who, apart from Rosati, could possibly fill the existing vacancy to good effect?

[Goscinski] In my opinion, the vacancy will not be filled now. We will have to wait until the presidential election. And, if Walesa is reelected then, we will be justified in commiserating with one another.

[Socha] So it does not really matter at all who holds the posts of deputy prime minister and finance minister until then?

[Goscinski] The president is not interested in a strong government. He is interested in a good political arrangement with Pawlak because you just cannot fight everyone all the time. In his turn, Pawlak is not at all interested in having the economy run on behalf of the government by a good economist from the ranks of the the Democratic Left Alliance [SLD], or found by the SLD.

[Socha] Is it because a good economist would make it difficult for him to fulfill the promises he made to his peasant electorate?

[Goscinski] Of course. There are rumors reaching us from Grzybowska Street—that is, the headquarters of the Polish Peasant Party [PSL]—that peasants are increasingly displeased with Pawlak. They come to the Food Industry Bank and say that they had been promised 8-percent-interest loans—that is, the cheapest possible—for the purchase of fertilizers. They had been promised Z1 million per hectare for this purpose, but apparently the loans fund has money for only one-fourth that amount. In any case, someone will have to pay even for that.

One of the worst parliamentary acts the Sejm has approved is the one on compensatory supplements for the agricultural sector. It was manifestly put together in a hurry. But the president refuses to use his right of veto to reject that act because, by doing so, he would let the prime minister know that he does not approve of such a policy toward agriculture. This kind of interplay really has nothing to do with Poland's interests. It is just a cynical struggle for power.

[Socha] In the long run, the prospect of a collapse of the government coalition seems to be an increasingly likely possibility, does it not?

[Goscinski] Pawlak keeps "drawing the bowstring" in an attempt to try the SLD and see how much more it is able to swallow. If the SLD is pushed too far, it could, in an act of despair, leave the coalition. Or, if the SLD puts up too much resistance, Pawlak could break up the coalition. A government without the PSL but with only the SLD, the Democratic Union, and other political groups is not really likely to even be considered. It is more probable that, if he has support from the president, the Nonparty Bloc in Support of Reforms [BBWR], and a proportion of the Democratic Union, Pawlak may form a minority government. Then, on the occasion of a major ballot, he might be forced to ask for a vote of confidence. It is not clear how the Sejm would behave in such a situation and whether the president would dissolve it then and announce a new parliamentary election. That possibility is still seen as a very powerful argument. People will find that they have burned their fingers on left-wing administration just as they burned them on Solidarity governments. Two years ago, I proposed the thesis that we would not really have a true parliamentary reflection of the existing configuration of forces in our society until the next Sejm. It may be that this existing configuration of forces is not ideal, but neither is it the worst one we could have.

[Socha] Do you believe in society's collective wisdom—that is, that we learn things faster than our elected leaders?

[Goscinski] Our society already showed us quite a few times that it is capable of greater political discipline than we would credit it with. Once we finally have a Sejm in which left, right, and center are equally represented, Poland will cease to be a country classified among hopeless incompetents. And, of course, someone else will be president then. It will have to be someone who will have the approval of both the left and the right side of the political spectrum, perhaps someone from the central orientation or even from outside the group of active, committed politicians—someone who will have enough common sense and be free from all pathological political ambitions.

Melescanu, Nastase on Use of Force in Bosnia

AU2504124794 Frankfurt/Main FRANKFURTER ALLGEMEINE in German 25 Apr 94 p 2

["rueb." report: "Romania Warns Against 'Disastrous Logic of Violence'"]

[Text] Bucharest, 24 April—Foreign Minister Melescanu has commented reservedly on NATO's threats against the Bosnian Serbs that are connected with the ultimatum. It is still too early to assess this step, he said in an interview with this newspaper. He sees the possibility that an acceleration of the peace process might follow from the threat. However, it is also conceivable that a disastrous logic of violence will be started. It might become very difficult to break it again, he said.

Melescanu took the view that, after the agreement between the Muslims and Croats on the formation of a joint state in Bosnia-Herzegovina, the attempt has to be made now to again involve the Bosnian Serbs in the negotiations. A comprehensive peace plan that starts from the German-French peace initiative is necessary. In return for concessions of the Bosnian Serbs in the peace negotiations, this plan, which was proposed by [German] Foreign Minister Kinkel and [French] Foreign Minister Juppe and later adopted by the European Union (EU), provides for the gradual loosening of the sanctions against Serbia and Montenegro. In addition to the European Union, the United States, Russia, and the United Nations have to be involved in the talks of the warring parties, Melescanu said.

Nastase, president of the Chamber of Deputies of the Romanian Parliament and chairman of the biggest partner in the government coalition, the Social Democracy Party of Romania (PDSR), expressed the view that, with NATO's latest threats, the peace process has reached a decisive point. Nastase, who is expected for a five-day visit to Germany this Monday [25 April], told this newspaper that the shelling of Muslim enclaves by the Serbian besiegers has to be stopped immediately. At the same time, however, he also warned against a possible escalation of violence. All political means have to be used to accelerate the peace process again. Here a gradual loosening of the sanctions against Serbia and Montenegro is also to be considered. So many attempts have been made to achieve peace in the former Yugoslavia. "We should also try to loosen the sanctions," Nastase said.

According to Nastase, Romania has suffered an economic damage of more than 11 billion German marks [DM] as a consequence of the sanctions against Serbia and Montenegro. In order to compensate the neighboring countries of "Yugoslavia"—Serbia and Montenegro—at least for part of the damage, Nastase proposed the establishment of a UN fund. Romania, which has traditionally good relations with all successor states of the former Yugoslavia, is offering its services as a further mediator in the Balkan war, if this is desired. Bucharest is also conceivable as a possible place for new peace negotiations.

"Yugoslav" Prime Minister Jovanovic said in Bucharest that NATO's threats are an "unfortunate development" and a further proof of the continuous application of different standards in the Balkan war by the West. The "negative developments" in Gorazde were caused by a Muslim offensive, to which the Bosnian Serbs had only reacted with a counteroffensive. The "Muslim offensive," however, was not noticed in the West, but it reacted with punitive actions to the Serbian counteroffensive. Jovanovic expressed the fear that the "important results" of the meeting of Akashi, UN envoy for the former Yugoslavia, with Serbian President Milosevic and Bosnian Serb leader Karadzic in Belgrade last Saturday, might be thwarted by NATO's "pressure from the outside." Morizet, French diplomat in Bucharest, felt called upon to warn that one must not counter "the terror on the ground with (NATO) terror from the air" in Bosnia.

Russian Intelligence Chief Meets Magureanu

AU2204202794 Bucharest Radio Romania Network in Romanian 1900 GMT 22 Apr 94

[Text] At the invitation of Mr. Vigil Magureanu, director of the Romanian Intelligence Service [SRI], Academician Yevgeniy Primakov, director of Russia's Foreign Intelligence Service, arrived in Bucharest. On this occasion, the two sides exchanged views on fighting international terrorism and organized crime as well as ways and means to stabilize the situation in various crisis spots.

Mr. Primakov was also received by Mr. Oliviu Gherman, president of the Senate, and by Prime Minister Nicolae Vacaroiu. He also had a talk with Mr. Vasile Vacaru, chairman of the joint standing commission of the two Parliament chambers for the exercise of parliamentary control over SRI activities—a communique of the SRI Press Bureau reads.

Melescanu Views Improving Bulgarian Relations

AU2504135594 Sofia DUMA in Bulgarian 21 Apr 94 pp 1, 6

[Interview with Foreign Minister Teodor Melescanu by Goran Gotev; place and date not given: "Romania Is a Country of Equilibrium, Dialogue, and Stability"]

[Excerpt] [passage omitted] [Gotev] The announcement that Romania is the second Eastern European country, following Poland, to halt the decline in production and show signs of a rise in its GNP caused a sensation in Bulgaria. How do you explain these results and what effect will they have on your relations with other countries?

[Melescanu] Our country's leadership has been concerned with halting the economic decline since 1990, but

due to the existing internal and external conditions, this goal was only achieved in 1993. It happened because of the continuous efforts to restructure and technologically reequip our industrial enterprises, to privatize whole sectors of our national economy, such as trade, tourism, and construction, and to return the land to the peasants. At the same time, we completed a restructuring of the banking system, decentralized foreign trade, and supported free enterprise in the small industry and services sectors. This year we plan to carry out a major privatization of industry.

These results can increase the confidence of business circles in the developed states in the opportunities for cooperation with Romania, which for us will lead to an increase in foreign investments and support from the international financial organizations.

[Gotev] How do you view the prospects for the development of Bulgarian-Romanian relations, which includes taking joint foreign policy initiatives in the Balkans and the Black Sea zone?

[Melescanu] Romania ascribes particular importance to comprehensively developing its relations with Bulgaria. No disputed or unresolved problems remain between our countries. Since 1990, Romanian-Bulgarian cooperation has been progressing positively in all fields. Despite the fact that we have no top-level official contacts for one year, I am sure that the relations of cooperation and good-neighborliness between Romania and Bulgaria will continue to advance further in the interest of both countries, so as to provide a model of stability in the Balkans. At the same time, I think that Romania and Bulgaria should actively cooperate in formulating a coordinated foreign policy line for cooperation in the Balkans and the Black Sea zone. Our country will use every occasion to hold consultations with Bulgaria with a view to adopting decisions to the benefit of stability, trust, and prosperity in our region.

[Gotev] Where do Romania's preferences lie: toward the European alternative, or toward affiliation to the Balkan Orthodox region?

[Melescanu] The point of European and Euro-Atlantic integration is precisely to develop a united, stable, democratic, and prosperous Europe. As far as the Central and Eastern European countries are concerned, this is the only way to confirm and consolidate their national, political, economic, and security interests. It is evident that regional and sub regional cooperation has a very important part to play within the all-European architectural framework. Projects such as the Central European initiative, Black Sea economic cooperation, and Balkan cooperation when the tragic Bosnian conflict ends are a necessary complement to the our state's efforts toward European integration. The tracing of new lines of demarcation in Europe, whether based on ethnic, religious, economic, or security criteria, may become a risk factor for our continent's stability. Romania has constantly and firmly spoken out for averting such artificial barriers, which can only become substitutes for the ideological barriers with which we are so familiar.

[Gotev] What priorities does Romanian diplomacy have for 1994?

[Melescanu] Our priorities may be defined as lying in three complementary directions. First, we want to continue the process of integration with the political, economic, and security structures of Europe and the Euro-Atlantic alliance. Ratifying and bringing into effect the association treaty with the EU, concluding a treaty with NATO within the Partnership for Peace Initiative, establishing long-term relations with the Western European Union, and switching over to a "permanent route forward" within the Council of Europe—these are only some of the goals we have set ourselves for the near future.

Second, we want to impart fresh dynamism to our relations with neighboring states and other countries in the region. The conclusion of basic political treaties with states like Hungary, the Republic of Moldova, the Russian Federation, and Ukraine can assist the ascending development of Romania's relations with these states, and at the same time create a favorable political climate.

Third, in our foreign policy efforts we want to expand and diversify our relations with states or groups of states in other geographical zones with which Romania maintains permanent and fruitful relations.

Ethnic Hungarian Involved in 1989 Violence Free

AU2504133294 Bucharest EVENIMENTUL ZILEI in Romanian 19 Apr 94 p 2

[Report by Bogdana Paun: "One More Ethnic Hungarian Sentenced to Prison After the 1989 December Events To Be Released"]

[Text] Yesterday in Alba Iulia another court session took place in the litigation initiated after the presidential decree pardoning eight ethnic Hungarians who were sentenced to long prison terms for their involvement in the December 1989 events [crimes against policemen] was overruled [by the local court of justice] in three cases.

The court ruled that Mihaly Balint, of Cristuru Secuiesc, should be released from jail. He is to leave prison within the next three days, during which the formalities will be completed. Otherwise he would have had to serve three more months of imprisonment.

The other two detainees did not benefit from a similar court ruling. Over the next few days they will appeal the ruling at the Supreme Court of Justice. The argumentation of the [negative] ruling says that one of them participated in an attempt to break out of prison, while the other had committed a crime that was too serious for him to be pardoned.

"This is an anomaly. First because in the prison logbook there is no word about any attempted breakout, and second because other persons who have meanwhile already been freed were sentenced for the same things," Bela Marko, chairman of UDMR [Democratic Union of Hungarians in Romania] told us.

Article Alleges Transit of 'Foreign Troops'

AU2604095394 Bucharest ROMANIA LIBERA in Romanian 21 Apr 94 p 1

[Article by Iulian Nitu: "A Disquieting 'Premiere'—Foreign Troops Have Crossed Romania in Great Secrecy; Who Has Approved It and on What Grounds?"]

[Text] We have learned that a train with military equipment has crossed Romania recently. It is true that this act took place with the authorization of the United Nations. Even if the equipment, though we do not know what it contained, had this statute, the event acquires an extraordinary importance through its political and strategic significance. Nevertheless, there has been complete silence over this event. Apart from the thieves who discovered and robbed it, and the heads of the leadership, nobody knew about this train, although this issue is of utmost concern to the public.

Why this fact was concealed, but mainly who authorized the crossing of the respective train, is not known. Article 117(5) of Romania's Constitution stipulates that "foreign troops cannot enter Romania or cross its territory except under conditions stipulated by the law." What law establishes the entry or crossing of foreign troops we could not discover. Neither could we discover to whom the law grants this responsibility.

No matter who it is and who has such an authority, we believe that this event is too important to be kept concealed from the public. We do not say that we have anything against the authorization for the transit of troops or UN military transports, however, the fact itself is disquieting. The same bodies that today had the right to decide in secret about UN troops crossing Romania's territory certainly tomorrow will have the right to approve with the same secrecy, far from the eyes of the public, the "entry" or the crossing of other "equipment" or troops, or even their stay in Romania. No matter to whom the law gives this right, we believe that Romania's Parliament should have a certain responsibility or connection with such important actions. We believe this because, if the Parliament discusses and decides on such an issue, normally the public is also informed of it.

Army Refutes Allegations

AU2604095494 Bucharest Radio Romania Network in Romanian 1900 GMT 25 Apr 94

[Text] The Press Bureau of the Romanian Army has faxed us a communique in which the Army comments on certain information that appeared in the press regarding allegations that trains with military signs carrying Russian tanks and troops have transited Romania. The Press Office of the Armed Forces mentions that the information issued by the A.M. Press, quoting National Railway Company information, does not correspond to reality. Romania was not asked and consequently did not agree to the transit of military trains belonging to the Russian Federation across its territory, the Press Bureau of the Army states.

NATO 'Bracing' for Serb Attacks on Brcko

AU2504155294 Paris AFP in English 1539 GMT 25 Apr 94

[By Graham Brown]

[Text] Brussels, April 25 (AFP)—NATO strategists are bracing for a Serb offensive on the Brcko corridor, a finger of land in northern Bosnia which joins Serbia to its conquests in western Bosnia-Herzegovina, officials said here Monday. The area is not covered by a NATO ultimatum on Friday which threatened massive air bombing of the Bosnian Serbs if they continued attacking Gorazde in eastern Bosnia or threatened another four mainly-Moslem towns.

The North Atlantic Treaty Organisation forced the Bosnian Serbs to begin pulling back from the battered town of Gorazde at the weekend, after they had mauled it.

This means, warned one NATO source, that three brigades—10,000 men or more—could be looking for a new target, along with about 60 tanks and big guns.

With Gorazde close to the Serb border, they could easily cross into Serbia and travel quickly and safely northwards towards Brcko in order to widen and strengthen the corridor, he said. The source added that such an attack could provoke NATO air strikes if UN personnel were stationed in the area and their lives were in danger, even though the area was not included in last Friday's ultimatum.

Last week the Bosnian Serb chief of staff, General Manjlo Milovanovic, said candidly that Serbian territory between Brcko and Doboj, the eastern and western ends of the narrow corridor, was the next target. The statement was followed by a barrage of reports in the Serb press that Bosnian Moslems were attacking Serb positions around Brcko. Similar allegations preceded the Serb assault on Gorazde which started three weeks ago.

But one NATO official said the Bosnian Serbs could not be relied on to follow a consistent strategy. "Who knows what goes on in their minds?" he said when asked if Brcko was the next likely target. The official, who spoke on condition that he not be identified, said it was not clear to NATO strategists whether the Bosnian Serbs were following a master plan, or even whether their generals would follow one if it existed.

"There are renegade warlords who owe their power to continued fighting," he said, adding that the Serbs had a pattern of unpredictably hitting wherever their enemies showed signs of weakness.

But diplomats here are also hoping that the Bosnian Serbs, having already conquered large parts of Bosnia, might decide that they have won enough to start real negotiations to end the two-year war from a position of strength.

"There is a lot of war-weariness on all sides," the official said. Fueling this thesis is a new concertation by the United States, Russia and the European Union to push the warring parties towards a settlement.

However, Nedzad Hadzimusic, the head of the Bosnian Government's mission to Brussels, said the Bosnian Serbs would continue to use their military muscle at least until the year-end as long as it was not knocked out by NATO. "There is going to be another Gorazde somewhere else, perhaps even in another safe area like Tuzla," he said. Tuzla, along with Gorazde and the other Moslem-held towns of Bihac, Srebrenica and Zepa, are protected by NATO's air strike ultimatum issued last Friday.

But Hadzimusic predicted that the Bosnian Serbs might attack Tuzla, which has a strategically-important airport, to test whether NATO really does have the nerve to launch massive air strikes against them.

Krajisnik Threatens 'Escalation' of War

LD2504175194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1633 GMT 25 Apr 94

[Text] Novi Sad, 25 Apr (TANJUG)—If NATO abuses UNPROFOR [UN Protection Forces] forces it will topple the United Nations, which will become an instrument of NATO and the United States [as received], Momcilo Krajisnik, president of the assembly of the Srpska republic, has told Novi Sad Radio.

Krajisnik stresses that the Srpska republic has long been demonstrating that it is ready to cease fighting and make peace and find a peaceful solution in ex-Bosnia-Herzegovina. However, everything that is being displayed in the media and ultimata testifies to an intention to vilify the Serbs and satisfy certain interests that lead to war rather than peace.

It is ever more evident that the intention is to achieve a certain goal—set in advance—namely, by ultimata with the help of NATO, the United States, and UNPROFOR, the Muslim side should achieve everything it has militarily failed to achieve in the battlefield.

Gorazde and the situation surrounding it, Krajisnik cautioned, was just a launch pad for Muslim forces and their intervention in the direction of Cajnice, Visegrad, and Srbinje (Foca). The support of NATO, the United States, and the UN for such an escalation can lead to one thing only—fierce war, Krajisnik said.

He noted that the leadership of the Srpska republic had successfully finished their negotiations with Yasushi Akashi, the UN secretary general's special envoy, but these agreements were not being honored and that solutions are being forcefully imposed on the Serbs. This is something the leadership of the Srpska republic cannot accept, since this is something that the Serb people on the soil of Bosnia-Herzegovina cannot accept either

because they are fighting for their survival and will not succumb to any ultimatum or force.

Buha Says NATO Openly Siding With Muslims

LD2504124694 Belgrade TANJUG in English 1210 GMT 25 Apr 94

[Text] Belgrade, April 25 (TANJUG)—NATO, issuing the latest ultimatum to the Bosnian Serbs, has openly taken the side of the Moslems, says Aleksa Buha, Bosnian Serb republic (S.R.) foreign minister.

In an interview published by the Belgrade daily POLITIKA EKSPRES on Monday, Buha described NATO ultimatums as "a two-way support which not only protects the Moslems from the Serb defence, but enables them to fire unobstructed at the Serb army and civilians." The NATO Council has threatened to launch air strikes against Bosnian Serbs unless they withdraw their heavy weapons to 20 km from the Moslem enclaves, U.N.-declared "safe areas" of Gorazde, Zepa, Tuzla, Bihac and Srebrenica.

Buha said that talks on Friday and Saturday between S.R. President Radovan Karadzic and U.N. chief for the former Yugoslavia Yasushi Akashi, with the mediation of Serbian President Slobodan Milosevic, had implied a promising course in resolving the "most difficult crisis in months."

Buha added: "We were well on the way to iron out the disputes with the U.N. Protection Force and furthermore, to reach an accord on Gorazde. But just as we have sighed with relief, a NATO ultimatum letter arrived and somewhat discredited the accord."

He said that NATO's unsynchronized involvement with additional ultimatums had created further confusion and primarily imposed a dilemma on who among a multitude of international organizations had the final say—the United Nations, NATO or "a big power which has made both organizations its instruments."

Akashi and Karadzic, with Milosevic's mediation, have agreed on an immediate ceasefire around Gorazde.

UN 'Satisfied' by Serb Withdrawal From Gorazde

AU2604142994 Paris AFP in English 1341 GMT 26 Apr 94

[Text] Zagreb, April 26 (AFP)—The UN Protection Force said Tuesday that the Bosnian Serbs were making progress in withdrawing their heavy weapons from around the Moslem enclave of Gorazde ahead of a 0001 GMT deadline set by NATO.

"Generally we are satisfied with the progress that is taking place on the ground," said UNPROFOR spokesman Michael Williams. "The Bosnian Serb Army is withdrawing heavy weaponry from the 20-kilometre exclusion zone and the general trend is positive."

He said that the United Nations' special representative to ex-Yugoslavia Yasushi Akashi had sent a letter overnight Monday to NATO's secretary general Manfred Woerner telling him that he was satisfied by the Serb progress and was hopeful that they would comply with the deadline.

Earlier in London, US Secretary of State Warren Christopher said that the Serbs had begun withdrawing their heavy weapons from around the battered enclave but not enough to avert the threat of NATO air strikes. "Today will be an important day. There has been some movement, but not enough," Christopher said after meeting with British counterpart Douglas Hurd. Christopher was to leave later Tuesday for Geneva and a meeting with Russian Foreign Minister Andrei Kozyrev.

As he spoke, a four-sided working group began meeting in London in search of long-term solutions to the Bosnian conflict. Hurd said Monday there would be "no hesitation" in ordering air strikes if Serb troops and weapons were not withdrawn beyond a 20 kilometre (12 mile) radius from the centre of the Moslem enclave by 0001 GMT Wednesday.

Serbs Not Complying With Ultimatum

AU2504185294 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 25 Apr 94

[Report by Enes Musovic]

[Excerpt] Gorazde—The chetniks have not pulled back to a distance of 3 km from the town center, as stipulated by the NATO ultimatum. The UN forces still have not occupied a single position in the region as envisaged by the NATO ultimatum. The chetniks are settling Kopaci and Zubcici with civilian populations. These villages are in the direct vicinity of Gorazde. At the same time the chetniks are concentrating major forces on the territory around the free part of the Gorazde district. [passage omitted]

Serb Tank Still in Exclusion Zone

AU2504143394 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 25 Apr 94

[Report by Enes Musevic]

[Excerpts] Gorazde—The evacuation of the badly wounded from the Gorazde hospital has resumed today. By 1430, 81 people had been evacuated by UN helicopters from the city. The evacuation is still under way. [passage omitted]

The skimpy information says that the chetniks have started to pull back their murderous units to the distance envisaged by the NATO ultimatum. However, they have still not withdrawn the tank in (Kazagici), which is less than 2 km from the city center.

The Blue Helmets have started to impose a buffer zone in the region. The Gorazde Presidency is holding intensive talks with the representatives of civilian structures of the UN Protection Forces in Gorazde on the normalization of the situation in the city. The priority is the

water supply for Gorazde, since yesterday the chetniks blew up the reservoir of industrial water, which the people of Gorazde have been using as drinking water over the last two years. Electricity is also a big problem, as this city has not had any for two years. The lack of food after a month has been alleviated by the arrival of the UNHCR convoy. [passage omitted]

Serbs 1 Km From Town Center

AU2604110194 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 26 Apr 94

[Report by Mustafa Kurtovic]

[Text] Gorazde—According to the information we received this morning from the Bosnia-Herzegovina Army East Bosnian Operative Group command in Gorazde, the chetniks have not withdrawn to a distance of 1 km from the town center as stipulated by the NATO ultimatum. Moreover, UN forces have not taken up the positions specified by the ultimatum. Groups of chetniks were sighted yesterday and this morning in areas that are only 1 km away from the town. Chetnik provocations overnight were registered in the area of Orahovice and (?Ostanica), while a tank and infantry attack at Brdarici is currently in progress.

Life in the city is extremely hard because the small area of the town now holds over 40,000 citizens and refugees who were forced to leave their homes in the surrounding villages. Lack of water could cause large-scale epidemics. That is why we are appealing to the UN Protection Force and health organizations to undertake urgent measures to protect the population of Gorazde from infectious diseases. As we were filing this report, we were informed that a UN High Commissioner for Refugees convoy, carrying food and medicine, had entered the town.

Mayor Reports End of Shelling

AU2504185694 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 25 Apr 94

[Excerpt] After a long time, no one has been killed in Gorazde today, Esad Ohranovic, president of the Executive Council of the Gorazde district, reported over the radio bridge established at 1500 with the help of ham radio operators. Mladen Bosnjak has the details:

[Begin recording] [Bosnjak] The situation in Gorazde is stabilizing. There has been no shelling. Snipers have been active from time to time and have wounded five people. The citizens can cross both bridges. The aggressor's forces with their heavy artillery are withdrawing. An enemy tank can be seen in the zone within the three km circle from the center of Gorazde in the village of (?Kazabic), along the river toward Visegrad. This is briefly the situation in the town as it was presented by Mr. Ohranovic today. However:

[Ohranovic] [Words indistinct] in a way the anarchy, looting has started. Last night we also had two murders. The police, that is to say, the Security Services' Center is doing everything it can to prevent this anarchy somehow, to restore order, and to create the conditions in which the people and the residents can return to those houses that have not burned down but were temporarily controlled by the chetniks.

[Bosnjak] Is the evacuation of the injured continuing?

[Ohranovic] At the time of reporting, a certain number of injured people are already leaving Gorazde. We can hear the helicopters flying over the house. [passage omitted]

Aid Convoy Reaches Enclave

AU2604095094 Paris AFP in English 0938 GMT 26 Apr 94

[Text] Belgrade, April 26 (AFP)—An aid convoy which had been blocked by Serb forces arrived Tuesday in the Moslem enclave of Gorazde in eastern Bosnia, a spokeswoman for the United Nations High Commissioner for Refugees (UNHCR) said.

Spokeswoman Lyndall Sachs said the Danish convoy of 10 trucks, carrying 90 tonnes of supplies, arrived in Gorazde Tuesday morning.

The convoy, which left Belgrade Monday morning, crossed into Bosnia Monday afternoon, but was stopped at a Serb checkpoint at Dobrun, some 30 kilometres (19 miles) from Gorazde, and sent back into Serbia, where it remained overnight.

On Tuesday Bosnian Serb authorities in Pale authorised the convoy to continue into Bosnia, Sachs said.

Two other aid convoys, both Russian, were on their way to Moslem enclaves in Bosnia, Sachs said. One was carrying 110 tonnes of aid to Tuzla in northeastern Bosnia and the other, of 14 trucks carrying 61 tonnes of supplies, was heading for Gorazde.

A UN convoy carrying some 250 peacekeeping troops arrived in Gorazde at 2:00 a.m. (0000 GMT) Monday, having taken 11 hours to make the 70-kilometre (40-mile) journey from Sarajevo.

It was blocked for two hours in the Sarajevo suburb of Lukavica by Serbs who objected to what they said were discrepancies in the convoy's papers.

French Crews Ordered To Refuse ID Checks

AU2504194694 Paris AFP in English 1936 GMT 25 Apr 94

[Excerpt] Paris, April 25 (AFP)—The French Government on Monday [25 April] ordered its helicopter crews involved in the evacuation of wounded people from Gorazde to refuse to submit to Bosnian Serb identity controls, the Foreign Ministry said. The restrictions on helicopter flights put in place by the Serbs are unacceptable, a Foreign Ministry spokeswoman, Catherine Colonna, said here. "We have therefore asked the French helicopter crews making these missions to refuse," these controls, she said.

"The French authorities note that UN Security Council Resolution 913 demands an immediate and definite lifting of all blockages on the free circulation of UNPROFOR," (the UN Protection Force) in Bosnia-Herzegovina, Colonna added. Flights by British and French UN helicopters between Gorazde and Sarajevo were delayed again Monday by the Serbs.

According to the office of the UN High Commissioner for Refugees (UNHCR)—struggling to save the most seriously wounded people in Gorazde—travelling times have been quadrupled by Serb controls. The delays were fatal for the most seriously wounded patients at Gorazde hospital, an aid worker said at Sarajevo.

Of the 600 due for emergency evacuation, 154 have been evacuated from Gorazde since Sunday. Sixty nine people were evacuated Monday up to the middle of the afternoon. [passage omitted]

Muslims Violating Cease-Fire

LD2604103794 Belgrade TANJUG in English 1015 GMT 26 Apr 94

[Text] Cajnice, April 26 (TANJUG)—A Muslim sniper from Gorazde has killed a Bosnian Serb fighter at the right bank of the Drina in sight of U.N. peacekeepers, the Herzegovina corps command said on Tuesday.

The Muslim sniper shot dead Herzegovina Corps member Sasa Burovic near the village of Kazagici, three kilometres from central Gorazde. He was shot late on Monday while talking to Ukrainian peacekeepers by a U.N. armoured vehicle. The Ukrainians readily came to his rescue, transporting him to a Visegrad hospital but Burovic died a few hours later.

Early on Tuesday, Muslims kept showering Herzegovina corps troops with fire from rifles with telescopic sights, machine guns and anti-aircraft guns in violation of a ceasefire, their bullets whizzing over the heads of U.N. peacekeepers.

Whenever Bosnian Serb units withdraw and U.N. peacekeepers deploy within three kilometres from central Gorazde, Muslims from Gorazde promptly move in the vacant space, in violation of a NATO ultimatum and an agreement between Bosnian Serb President Radovan Karadzic and U.N. secretary-general's special envoy Yasushi Akashi.

Bosnian Serb troops have moved to three kilometres from central Gorazde, in accordance with the Belgrade agreement between Karadzic and Akashi, General Milan Gvero, the Bosnian Serb army assistant commander, said on Monday.

U.N. peacekeepers, deployed as an interposition force pursuant to the agreement, are expected not to allow Muslims any more provocations from Gorazde, Gen. Gvero said.

In late March, Muslims launched an offensive against the Bosnian Serb territory from Gorazde, which, as a U.N.-proclaimed "safe area," should have been demilitarised in the spring of 1993, but Bosnian Serb forces mounted a counter-offensive and pushed the Muslims back towards the centre of the town.

Serb General Says Withdrawal Successful

LD2504184394 Belgrade TANJUG Domestic Service in Serbo-Croatian 1747 GMT 25 Apr 94

[Text] Visegrad, 25 Apr (TANJUG)—The decision by Radovan Karadzic, the president of the Srpska republic, and Yasushi Akashi, the UN secretary-general's special envoy, on the withdrawal of the Serb forces around Gorazde is being successfully implemented, Milan Gvero, deputy commander of the Srpska republic's army, told a TANJUG reporter today.

According to Gvero, the Serb soldiers have withdrawn three km from the center of Gorazde, and the decision on the evacuation of the wounded and civilians from Gorazde has also been implemented. The passage of humanitarian convoys to Gorazde is also continuing successfully, Gvero added.

He particularly stressed that he expected that UNPROFOR [UN Protection Forces] deployed along the separation lines would not allow any further provocative actions by the Muslims from Gorazde.

Gvero also said that today he had demanded from UN officials that all Serb prisoners be unconditionally released from Gorazde and that this should not be considered a prisoner exchange. For, according to General Gvero, the Serbs have shown goodwill so many times, by allowing humanitarian convoys in and by withdrawing their troops from Gorazde.

It is time that the other side shows goodwill too, Gen. Gvero stressed.

Serb Colonel Views Situation

AU2504142494 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 25 Apr 94

[Report by Jelena Dabarcic]

[Text] Peace is gradually returning to the Gorazde front. Only sporadic sniper fire has come from the Muslim side today. The UN troops are taking up positions in their designated locations. The Karadzic-Akashi agreement is being implemented. Units of the army of the Srpska republic are withdrawing to the lines 3 km from the center of Gorazde, while the heavy artillery has been withdrawn to 20 km from the town.

The Serbian civilians who fled their houses before the Muslim army's advance two years ago are returning to burnt and destroyed villages on the right bank of the Drina River. UNPROFOR [UN Protection Forces]

(?represent a guarantee) to them to return and continue to live safely in their destroyed houses.

The Muslim army has been defeated on the Gorazde front. Their offensive did not succeed. Of their four brigades, with more than 8,000 troops, three have been crushed. This was stated by Colonel Jezdimir Lakicevic from the Herzegovina Corps command during today's meeting with correspondents reporting from this front. He stressed that in their counteroffensives, members of the army of the Srpska republic liberated an area of 170 square kilometers. The units of the Herzegovina Corps, commanded by General Radovan Grubac, liberated 100 square kilometers themselves.

This has created the conditions for the Serbs who have fled the area to return to their hearths. Herzegovina has in this way obtained the shortest possible route to Serbia, this officer said. According to Colonel Lakicevic, the world has finally realized that its investment in Alija's army was futile.

In the fighting on the Gorazde front, the Herzegovina Corps lost 30 fighters killed and 160 were wounded. Of these 40 were more seriously wounded.

Serbs Fire Rifle Grenades at Sarajevo Defenses

AU2504192394

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1700 GMT on 25 April reports on low-level combat activities in the following parts of the republic:

The studio announcer says that "the Bihac district has been exposed to attacks by the joint aggressors: the chetniks and the paramilitary formations of Fikret Abdic. The chetniks continue to shell the defense lines." The announcer adds that "the defense lines on the Bosanska Krupa and Grabez fronts have also come under attack. Fresh chetnik regrouping has been noted in this part, too."

Reporting on the situation on the Brcko front, Hamiz Deronjic says that "most active on the aggressor's side were the snipers, who targeted all the defense positions throughout the day. The enemy also intensified the attacks with small arms and antiaircraft machine guns along the entire front line. The areas of the most frequent and strongest attacks over the past 14 days of the enemy offensive—Vranovaca and Boderiste—were not spared shelling today either. The chetniks fired 50- and 82-mm mortars at this part of Brcko's defenses today."

A report by the Information Service of the 1st Corps of the Bosnia-Herzegovina Army reports that "the chetniks disturbed the deceptive lull on several occasions" in Sarajevo today. It is reported that "they were most active from the direction of Vozlica Kuca near Brijesece, from where they used a death sower and an antiaircraft machine gun and fired rifle grenades at the town's defense lines. A similar thing happened from their positions in the so-called Sarabina Kuca, from where they attacked the free territories using an antiaircraft machine gun on several occasions."

Muslims Said Intensifying Attacks Near Doboj

LD2504205094 Belgrade TANJUG in English 2026 GMT 25 Apr 94

["Pool" item]

[Text] Doboj, April 25 (TANJUG)—Bosnian Moslem forces on Monday stepped up the intensity of their attacks on Bosnian Serb positions and villages in the wider region of Doboj in northern Bosnia.

Moslems attacked Serb defence positions west of Doboj with strong small arms and mortar fire and tried to carry out an infantry attack, but it was repulsed, Bosnian Serb military sources said.

Moslem forces carried out a strong infantry attack northeast of Teslic (southwest of Doboj), planning to break through the Serb defence lines, but Bosnian Serb units repulsed this attack and forced the Moslem formations to retreat.

Moslems on Monday also stepped up attacks from anti-aircraft weapons and small arms northeast of Doboj, but the attacks ceased after the Serb side returned strong fire.

Army Exchanges Prisoners With Abdic's Forces

AU2504193094 Paris AFP in English 1911 GMT 25 Apr 94

[Text] Zagreb, April 25 (AFP)—The Bosnian Government and secessionists freed 356 Moslem prisoners of war in the Bihac pocket in northern Bosnia, the International Committee of the Red Cross (ICRC) said here Monday [25 April].

Moslem secessionist forces led by Fikret Abdic, controlling the north of the pocket, freed 280 prisoners, and troops loyal to Bosnian President Alija Izetbegovic in the south freed 76, the ICRC said. The exchanges followed the signing of an agreement between the two sides April 23.

ICRC representatives held discussions with each prisoner to make sure they were happy crossing the front line to rejoin their own side. The forces have clashed intermittently since Abdic declared autonomy late last year for Bihac.

Military Potential of Croat-Muslim Union Viewed

94BA0246A Zagreb GLOBUS in Serbo-Croatian
25 Mar 94 pp 8-9

[Article by Karlo Jeger]

[Text] Over a period of five years the combined military industry of the confederation of the RH [Republic of Croatia] and Bosnia-Herzegovina will exceed that of Serbia!

The immense military potential of the former JNA [Yugoslav People's Army] provided the main strength for Serb conquest. But the Serbs also derived superiority from the military industry located in Serbia or on territory under Serb control. After the Croat-Muslim conflicts broke out, segments of the military which remained under control of the HVO [Croatian Defense Council] and Army of Bosnia-Herzegovina were by contrast fragmented and disconnected, cut off from sources of production supplies and energy. That the linkup of these plants into a unified technological process is a significant threat for the Serbs can be seen from the fact that upon the first indications of Croat-Muslim rapprochement, they carried out an air attack against the largest factory making artillery guns in the former Yugoslavia: Bratstvo in Novi Travnik.

Repair of Supersonic Aircraft!

At the same time, the Bosnian-Croatian agreement opens up possibilities for setting its own military industry in motion at an enviable level.

On the eve of the war Croatia had almost no military industry at all, except for shipbuilding. Within the shipbuilding industry we should mention the Skorpik Repair Yard in Sibenik, the well-known large shipyards (Split, Rijeka, Pula), and the Shipping Institute. Although in the near future it still will not be possible to produce a missile-carrying fast attack craft or submarine, it will be possible to make smaller vessels. Although the public is getting very little information, or there is hardly any mention of this at all, it has still been made public that the initial phase of production of armament in garages and small workshops was accomplished in Croatia long ago.

According to officially published data, the infantry weapons put into production include industrial production of pistols (the PHP, which stands for First Croatian Pistol, patterned after the Walter), sniper rifles (12.7 mm and 7.9 mm, and a third with NATO caliber), and pirated machine guns, patterned after the Israeli Uzi. The Pleter, Sokac, and Zagi were trial designs. An improved version of the Kalashnikov, like the Israeli 7.62-mm Galil, is also being produced. Various mines and explosive devices, mortars of all calibers with corresponding mortar shells, even very modern ones, recoilless cannon and shells, as well as portable light antiaircraft systems are also being produced.

The level of production now achieved guarantees successful organization of the production of other automatic and semiautomatic infantry weapons. Hand grenades are also being produced....

Infantry land mines (20 types) are also being produced. The repair of supersonic aircraft and engines has also been restored in a very short time. The same is true of the repair of cannon and howitzers.

Nevertheless, the largest plants of the confederal military industry possible in the future, already installed and with a world reputation, are located in Bosnia-Herzegovina.

In Vitez the HVO is supervising perhaps Europe's largest factory making gunpowder, rocket propellant, and explosives. The Osa Project, whose problem was propellant, becomes realistic with the liberation of Vitez. In the untouched plants it is possible to begin immediately, without any lag, to produce high-quality propellant for all types and calibers of multiple-barrel rocket launchers, gunpowder for all types of artillery pieces, as well as all types of explosives. Even before the Croat-Muslim conflicts, production of gunpowder for infantry weapons had been organized in Vitez.... The installed capacity for manufacturing propellant for the long-range missiles of the Orkan type in and of itself amounts to 2,000 units a year.

A Factory Worth a Billion Dollars!

When the HVO took over the factory, there were about 4,000 finished propellant charges, which were supposed to be delivered to Iraq, stored in the warehouses!

The value of the factory in Vitez is estimated at a billion U.S. dollars. A complete and usable older manufacturing line for the production of gunpowder is stored on the grounds of the factory and could be set up very quickly. It is certain that for a long time the Serbs will not be able to attain the technological level of the factory at Vitez.

The HVO is also overseeing the former Soko Aircraft Factory in Mostar. Although the Serbs withdrew some of the equipment, with certain investments the factory could be outfitted, if not for the production of entire aircraft, then at least to continue production of parts for large factories in the world and high-quality aircraft repair. In addition, many parts are still in warehouses all over Bosnia-Herzegovina and could be used to assemble aircraft (in Busovaca and near Tuzla...). There are also quite a few air-to-surface missiles (RX 57 Lightning) stored in Bosnia-Herzegovina which the Army of Bosnia-Herzegovina was unable to use.

The largest factory for cannon and multiple-barrel launchers on the territory of the former Yugoslavia is under supervision of the Army of Bosnia-Herzegovina in Novi Travnik. The RAK-12, a copy of the Plamen, is being manufactured in Croatia. Aside from repair of all types of artillery weapons, cannon and howitzers of all calibers, from the 75-mm hill gun to the 155-mm howitzer, were produced in Novi Travnik. The production of

very large guns is being prepared; equipment has been installed to machine 203-mm cannon barrels, and all types of mortars and mortar shells are being produced. It should be mentioned that the production of gun barrels is very important because they are used unsparingly, and it is well-known that they wear out. Mortars are produced, however, in Sarajevo, Tuzla, and Tesanj, along with mortar shells.

In Travnik the Army of Bosnia-Herzegovina is also supervising a large repair plant for infantry weapons.

The Slavko Rodic Factory in Bugojno, which is now being attacked by the Serbs, produces all types of fuzes, both for artillery and also for airborne weapons. Although the Serbs have also developed a fuze factory in Valjevo, they have been unable to produce the most up-to-date radio fuzes. The Orkan missiles, which have been falling around Jastrebarsko, had the poorer electronic fuzes, which were manufactured at Krusik in Valjevo, by contrast with those from Slavko Rodic in Bugojno.

Ammunition for NATO

The Igman Infantry Ammunition Factory is in Konjic, buried deep in the ground in the vicinity of an underground command center built for the former SFRY [Socialist Federal Republic of Yugoslavia] Presidency and JNA General Staff. The factory's production line is newer than that of its sister, the Prvi Partizan ammunition factory in Uzice, and it has a capacity of several million rounds per month. The quality of this factory is indicated by the datum that it has produced infantry ammunition even for NATO. The steel mill in Zenica has begun to manufacture 105- and 122-mm ammunition using old cartridges.... There is a chance that in Novi Travnik the Muslims have succeeded in producing even Kalashnikovs, using barrels from the former warehouses of the JNA.

Gorazde has a detonator factory, the only important segment of the military industry which does not have its counterpart in Serbia. In Vitkovici, near Gorazde, there is also a chemical plant producing components for making explosives.

If we also add to the total capacity the former tank assembly line in Slavonski Brod, the potential of the future confederal military industry attains an enviable level!

The steel mill in Zenica can produce armor plate, it can make the turret, and the engine can be bought. But it is still more important that it can also produce fast armored vehicles....

All the Factories in Serbia

The voluminous documentation of the UNIS Defense Production Institute in Sarajevo has remained under control of the Croats and Bosnian Muslims in Sarajevo. Unfortunately, the Serbs razed to the foundations the Zrak sighting device plant in Sarajevo.

The military industry for the former JNA was designed to produce weapons and all supplies necessary for what then was nationwide defense, and to do so completely independently and in virtually complete isolation. Almost all the plants of the military industry were located in the central mountains of the former joint state. That location was justified by the strategic rationale of waging nationwide defensive warfare, but Serbia then became almost completely independent and self-sufficient in the production of armament, while the other republics were put in the position of depending on one another for technology and production.

For example, the plastic mounts for rocket launchers and motors were produced at Kamnik in Slovenia, gunpowder came from Vitez, sights from Sarajevo, rockets from Vogosca.... The final assembly took place at Prilep in Macedonia [The Former Yugoslav Republic of Macedonia].

The Slobodan Princip-Seljo Explosives Factory in Vitez developed a technology for the production of plastic explosive and then the entire production operation was moved to Ivangrad in Montenegro. Up until 1992 its total capacity was quadruple the needs of the rump "Yugoslavia." Until that time the former federal army had wherever possible built duplicate production facilities on the territory of Serbia and Montenegro.

For example, the "mate" of the Explosive and Gunpowder Factory in Vitez was Prva Iskra in Baric, Serbia; the Soko Aircraft Factory in Mostar had its counterpart in UTVA in Pancevo; the Slavko Rodic Fuze Factory in Bugojno had Krusik in Valjevo; the Konjic Ammunition Factory had Prvi Partizan in Uzice; the Pyrotechnics Factory in Gorazde had Krusik in Valjevo and Sloboda in Cacak. The "twins" of FAMOS, the engine factory in Sarajevo, were the Motor Industry in Rakovica outside Belgrade and FAP in Priboj.

The Zrak sighting device factory in Sarajevo was supplemented by the plants of Teleoptik in Belgrade.

The VMA (Military Medical Academy on Banjica) developed medical protection, field surgery, protection against all NBC [nuclear, biological, chemical] weapons, and all other aspects of military medicine to meet the needs of the ground forces.

All those institutions had the most up-to-date equipment and devices. The centrifuge at Batajnica for testing pilot behavior under the most difficult flight conditions alone cost more than a million dollars.

Prototypes manufactured under license, as well as those made in our own industrial plants, and imported weapons, were also tested not far from Belgrade—at the Aircraft Testing Center at Batajnica and the Ground Forces Testing Center at Nikinci in Srem. What is more, there was also the Technical Test Center on Prevlaka,

from which the Serbs withdrew the equipment and moved it to the Montenegrin side.

Supersonic Plane Out of the Question!

The restructuring of the military-industrial complex of the remainder of Yugoslavia began in the summer of 1992. But the Serbs, although almost completely equipped with the technology, still have not managed to restore production of all types of weapons.

Production of the Orao airplane has been interrupted and is no longer even mentioned. Development of a new supersonic plane is out of the question. That was too difficult a task even for the entire military industry of the former Yugoslavia, much less the present Serbian industry.

Nor has production of the Gazela helicopter, the SA-341/24L, been resumed under French license at Mostar. Informed sources say that the Serbs are unable on their own to repair MiG-21's, which was done in Velika Gorica although they took away most of the machines and special tools. They have completed new production buildings three km long at Pancevo and built a new runway alongside the factory....

Almost all the craftsmen and engineers with a world reputation at Soko, who in addition to meeting the needs of the former army also worked for the largest world aircraft corporations, like Boeing, Airbus, Dornier... have remained in Mostar. The same is true of the repair plant in Velika Gorica.

By contrast with them, the greatest attainment of the UTVA aircraft factory in Pancevo was the light piston plane, the UTVA-75. Nor did the piston trainer Lasta ever go into series production, and independent series production of jet planes is out of the question so long as the sanctions are in place.

Ships Under a Coat of Rust

The Serbs have not even begun to rebuild production to meet the needs of the navy. And the ships they have in the Bay of Kotor have a heavy coat of rust.

To meet the needs of the ground forces, in addition to the factories that were already on their territory before war broke out, the Serbs have managed to rebuild and replace the factories they lost in Bosnia-Herzegovina. Most of the Serbian military industry is located along the eastern and western Morava and in Belgrade, and one portion is in Bosnia under supervision of Karadzic's forces.

The Crvena Zastava plants in Kragujevac are the largest facility of the Serbian military industry. They produce all types of infantry weapons and antiaircraft cannon in calibers up to 40 mm. Their most recent product is a 9-mm pistol (whose production has been transferred to the Sartid 13 factory in Smederevo), the 12.7-mm sniper rifle, and the 40-mm infantry grenade launcher.

The Kragujevac automatic rifle, manufactured under the license of the Russian AK-47, which the Croatian fighters called the "Gypsy," is also produced there.

Krusik in Valjevo produces all types of light armor-piercing missile systems as well as the AT-2 and AT-3 guided armor-piercing missiles, manufactured under license, and they were also planning to produce the AT-4. Before the war they produced the Strela 2-M light portable antiaircraft system, and production under license of the Igla antiaircraft system, which is also light, was also being prepared.

The Lightning air-to-surface 128-mm missiles, which are not guided, and the BR-1 57-mm rocket launcher are also made in Valjevo.

The Serbs Have No More Money!

According to unverified information, rockets for the Plamen, Oganj, and Orkan multiple-barrel rocket launchers are also made there.

At Lucani near Cacak all types of infantry ammunition are made at Prvi Partizan, and gunpowder for infantry ammunition in the plants of Milan Blagojevic. Prva Iskra of Baric is the main producer of rocket propellant.

The Serbian military factory in Bosnia with the largest capacity is in the UNIS plants in Vogosca, where all types and calibers of artillery ammunition are produced.

According to foreign sources, the Serbs have managed to restore production and repair of 100- and 125-mm tank cannon and also the repair of all types of artillery pieces.

A recent brief communique of the Supreme National Defense Council stated that only priority activities of vital important to defense of the country would be financed to meet the needs of the army, and salaries and pensions of military personnel would be paid. All capital investments and new projects are being halted. And the recent strike of workers in the special-purpose section of Crvena Zastava has shown that it will be difficult for Milosevic to fulfill his promise that the Kragujevac factories will operate even on three shifts if necessary.

By late 1993 total Serbian industrial output had fallen to only 30 percent of its prewar level. Half of this consisted of wartime production to meet the needs of preserving the territory conquered in Croatia and Bosnia and Hercegovina. Although their effect has been gradual, the sanctions have been having a disastrous impact, even on the Serbian military industry.

The miserly salaries, insufficient even for survival, have resulted in large-scale departure of highly trained personnel, mainly to countries overseas. Specialists in the numerous military engineering institutes and factories have joined the people with an engineering education.

Another important process is halting the development of projects which were almost finalized and the suspension

of investments to develop new armament technology. Serbia simply no longer has the money for that.

The immense amount of military-technical documentation stored in Belgrade will simply go out of date. The large amount of knowledge about the production of weapons and military equipment, paid for with the money of all the republics of the former Yugoslavia, will become utterly unusable.

New Krajina Government Causing Party Rift

AU2604103094 Belgrade NEDELJNA BORBA in Serbo-Croatian 23-24 Apr 94 p 9

[Article by Srdjan Radulovic: "Babic's Return to Martic's Line"]

[Text] The entry of Milan Babic in the government of "national unity" is not of crucial importance to the section of the Krajina political scene that has long reached a party consensus on the political status of the Republic of Serbian Krajina. However, the support of the deputies of the SDS [Serbian Democratic Party] of Krajina to the program and the government of the new prime minister, Borislav Mikelic, as thought, will affect party relations in the Krajina assembly and Babic's future position with regard to both his political rating in Krajina and the party that he leads.

As stated by Vojislav Seselj, leader of the Serbian Radicals, by supporting a government that does not include members of the SRS [Serbian Radical Party], the second strongest party, Babic has "unilaterally broken the coalition alliance." The Radicals voted against Mikelic's program. Tomislav Nikolic, vice president of the SRS, says that the "Radicals will remain in the opposition."

Regarding the possibility of the Radicals' entering the government (the departments whose officials have not been elected yet) and reaching an agreement with Krajina's new prime minister, Nikolic said that no agreement has been reached with Mikelic, and that Mikelic's recent statements on an agreement with the Radicals do not correspond to the truth. "The situation in Krajina is becoming increasingly better for the SRS and we will be ready for elections, when they are called," Nikolic said.

What remains to be seen is how the multiparty bloc, which will play the role of the ruling authorities in the Krajina assembly, is going to function. The SDS of Krajina has the largest number of deputies, but without the Radicals, it can no longer count on the certain "endorsement" of its policies. The "marriage" of convenience between the two parties that until yesterday were fierce opponents, the "marriage" in which the SDS of Krajina won the greatest number of ministries, does not guarantee harmonious relations in the ranks of the ruling authorities.

If Babic's entry into the government, as thought, represents an attempt to resist the pressure on the Krajina's SDS deputies (and the Radicals) aimed at forcing the political "transfer" of his deputies and breaking the coalition bloc with the Radicals, then Babic should explain the reasons for his decision, whose consequence is indeed the collapse of the coalition with the Radicals.

The intention to preserve "peace in the house" with a compromise, at the time when the final stage in the denouement of the status of the Republic of Serbian Krajina is getting closer and closer, cannot be ruled out as having been in Babic's mind, but the fact that Babic has assumed a new post and is staying in power remains on the surface.

Will this adversely affect his political rating? It has been unofficially learned that Babic's decision did not enjoy the unreserved support of all the deputies, and that it surprised members of the SDS of Krajina in Banija, who were against Mikelic's nomination for prime minister. According to some Krajina sources, an uncompromising faction among the deputies of the SDS of Krajina is led by Lazar Macura, who stated at the meeting of the party deputy caucus that he would not support Babic's decision.

In any case, Babic cannot count on the support of the party membership that he enjoyed in the past, nor the support of the Radicals, considering the way in which he "paid for" his return to politics; here, the main creator is Krajina's President Milan Martic, who now has his men not only at the helm of the government, but also in the important ministries of defense and internal affairs.

Commentary Criticizes West's Reaction to Gorazde

AU2604114194 Zagreb VJESNIK in Serbo-Croatian 19 Apr 94 p 1

[Commentary by Aleksandar Milosevic: "A Bitter Lesson"]

[Text] We should hope that the bells of Croatian diplomacy are ringing in alarm. The United Nations, the West, and NATO, which Croatia so wholeheartedly relied upon as allies to help it solve its greatest problem—the reintegration of the occupied areas—have shown their true face. Morally corrupt, cold-hearted, cynical, and incapable of preventing the tragedy of Gorazde, these Croatian allies have crossed the Rubicon of dignity and morals. Instead of responding to the latest Serb tricks, lies, and crimes with strong military pressure, these rich, powerful, and influential societies are openly discussing lifting the sanctions imposed on Belgrade.

Those who believed that the West could not fall any lower after Vukovar, Sarajevo, or Bijeljina have seen that there is no end to the abyss. Croatia should find it indicative that lifting the sanctions is discussed by UN Secretary General Butrus-Ghali as well as the Belgrade supporters in Moscow, and that even the U.S. Administration has been making completely confusing announcements regarding the issue.

The fact that the Americans are prepared to consider lifting the sanctions if the Serbs withdraw from Gorazde and at least reduce the attacks in other parts of Bosnia-Herzegovina clearly shows that the West and the international community consider Croatia the least of their concerns. Not taking even the UN resolutions into consideration, Butrus-Ghali has shown that the peaceful reintegration of the occupied Croatian territories is not on the list of his political priorities. This is why Croatia can do nothing else but respond to this (un)expected development of events by taking the diplomatic steps that will prevent the jaded world power-wielders from leaving it alone with the problem, the solution for which they impose, but do nothing to implement.

The lesson is bitter, but it is a good one, and we should hope that it has arrived on time.

Tudjman Calls For Human Rights Investigation

LD2504181094 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 25 Apr 94

[Text] Republic of Croatia President Franjo Tudjman has sent a letter to Prime Minister Nikica Valentic; Luka Bebic, president of the Committee for Internal Policy and National Security; Supreme Court President Milan Vukovic; and State Prosecutor Krunoslav Olujic. The letter is based on Article 94, Paragraph 2, of the Croatian Constitution, which defines the president's obligation to secure adherence to the Constitution and the regular functioning of the state authorities.

The letter demands that they investigate and establish the real state of facts, within their powers, regarding the claims by Stipe Mesic published in FERAL TRIBUNE on 25 March, in which he says: A number of murders have been committed, whose perpetrators have still not been arrested, although their identity is known. It is known who killed Reihl-Kir [head of Osijek police, killed in summer 1991], Saban Krivokuca, and the Zec family.

The letter demands that the government and the relevant parliamentary committees, within their defined powers, examine the situation regarding protection of human rights and the implementation of the principles of a law-governed state, in particular all incidents which violate the legal order and all forms of crime.

I am proceeding from the belief that the Croatian state authorities, despite the war, paid particular attention to the protection of human rights and implementation of all basic principles of a law-governed state, to the importance of the rule of law and the need for all state authority bodies strictly to adhere to law and the constitution and to effectively take measures to curb all forms of crime. I have emphasized this on many occasions, for instance in my address to the parliament on 23 March 1993, the letter says.

Manolic Answers Tudjman's Criticism

AU2504131194 Zagreb VJESNIK in Serbo-Croatian 17 Apr 94 p 4

[Letter by Josip Manolic, chairman of the Croatian Assembly's Chamber of Counties: "Answer to President Tudjman"]

[Excerpts] Mr. President, I am very grateful to you that you had your speech, delivered in front of the HDZ [Croatian Democratic Community] Group in the Croatian parliament on 7 April 1994, published in VJESNIK on 10 April 1994, because by doing so you have given me the opportunity to provide an answer in the same place and in the same scope to your interpretation of the political events and to your accusations against me. I knew that you were coming to the Croatian parliament that day since the "president's flag" was raised above the Croatian flag. I asked myself what legal stipulation was the basis for raising it. I learned later that it was a party meeting, which reminded me of the famous statement: "L'etat c'est moi!" I would also like to thank you for releasing me of the obligation to be silent about delicate issues. [passage omitted]

There is no continuity in the policy toward Bosnia-Herzegovina, and the Washington agreement is the most radical breach with the policy you made. This policy has never pursued the idea of a unitary Bosnia-Herzegovina as the elementary and only strategic interest of Croatia. You have signed the Washington agreement under the pressure of several factors: 1) In the present Bosnia-Herzegovina, the Croatian nationality has been driven to the verge of ruin; the Croats were ready to defend themselves by all means from the disastrous results of your suicidal policy, which they expressed by founding the Croatian National Council of Bosnia- Herzegovina, 2) Opposition parties, including all right-wing to extreme left-wing parties, exerted pressure on you; the criticism within the HDZ became especially loud (I was the loudest), 3) A total military defeat, which has increasingly involved Croatian troops in the war in Bosnia-Herzegovina resulted in international isolation and threats of sanctions, which consequently led to the collapse of the economy and caused social discontent in all layers of the society; apart from the that, the costs of the war were so high that all funds are now empty and taxes were raised to an unendurable level, 4) The will and influence of international powers.

Obsessed by the myth of enlarging Croatia, you have refused to accept the reality in Bosnia-Herzegovina, trying to divide it between Serbia and Croatia from the very beginning. You fell for Milosevic's trick in Karadjordjevo and insisted on it until harsh reality forced you to sign the Washington agreement. Innumerable of your statements prove that you have never even thought about a coexistence of Croats and Muslims, nor do you want this today, which can be seen from your insistence on Izetbegovic being guilty for the conflict between the Croats and Muslims. Do not forget that I was present at

the meeting in which Izetbegovic proposed the appointment of Mate Boban as defense minister of Bosnia-Herzegovina. You refused it. You are praising the contribution to the Cutilliero plan. The attempt to implement this plan according to your policy—the ethnic cleansing of Muslims from Livno and Mostar to Travnik, Jablanica and Konjic—caused strong fighting between Croats and Muslims. You should look again at the Smiljko Sagolj reports and Vice Vukojevic's uniform (and his boast that so many Muslims were killed in Prozor that they did not fit into two trucks etc).

Plunging Into Catastrophe

It is true that "we had to have a political and governmental organization in Herceg-Bosna, the function of which is to protect the Croats in Bosnia-Herzegovina and the strategic interests of the Croatian state...," but the question is of who Croatian interests are threatened by. The only possible answer is that this is Serbian aggression, so that the question has to be asked into what and why this "political and governmental organization" developed and in whose interests that was. Instead of waging a war against the Serbian aggressor, a war was waged against the allies; instead of protecting the Croatian people, their displacement was caused. Instead of having villages and towns, we now have a country that is burnt down, approximately 10,000 dead people etc.. Whose policy was it and why did he make it? Was the warning voice of the Catholic Church not enough to prevent Croatian politics from plunging into the catastrophe in Bosnia-Herzegovina. It is well-known with what arrogance your politics responded to it.

The fact that, by the signature on the Washington agreement, the collapse of the Croatian political strategy—the war option—was admitted does not free the creators of this policy from explaining to the Croatian people how the tragedy came about.

The thesis about the continuity of "the Croatian policy toward Bosnia-Herzegovina," with signing of the Washington agreement, allegedly led to "the overlapping of Croatian interests with the interests of the Western world.... We were not forced, ther was no turnabout, it is the continuation of our policy. The world has accepted us because of the consistence of our policy," is a transparent mask to cover up the actors of a policy that is tragic for the Croatian people, both in Bosnia-Herzegovina and in the Republic of Croatia, to avoid political responsibility and having to provide answers to the following questions asked by the Croatian people:

Why did it come to a war against the Muslims? What are the aims of that war?

Who made the political decision to start the war against the Muslims in Bosnia-Herzegovina? No legitimate body has made such a decision; it was not even made within the HDZ. Who has committed war crimes that have made the differences between the Croats and Chetnik criminals disappear?

Who gave the order for the ethnic cleansing of Muslims and who founded concentration camps? The answer that others also had them is a bad pretext. The Croats do not deserve to be blemished and stigmatized as aggressors.

Who is responsible for the exodus of Croats from Bosnia-Herzegovina?

Who financed the war against Muslims in Bosnia-Herzegovina? Who has the records about it and who will be "presented with the bill for it"?

Who is responsible for thousands of dead and wounded, for destroyed villages and towns, for the destruction of the cultural heritage in Mostar and other places etc...?

Who organized smuggling gangs in Herzeg-Bosna and who are they supported by in Croatian institutions (tobacco, oil, drugs, weapons, and so forth)?

The End of the War Option

Since you, Mr. President, covered up the responsibility for all these things with your thesis about the "continuity" of the Croatian policy, you have practically taken over the obligation to give answers to the abovementioned questions. You have to give answers to these questions primarily to the Croatian parliament as the highest sovereign body in Croatia.

Let us go back to the question of the present policy toward Bosnia-Herzegovina, which is, as you claim, "in continuity." Is it expected perhaps that the people who created and carried out the tragic strategic concept—the war option—that collapsed and was buried by the Washington agreements, will carry out these agreements sincerely and honestly and be able to cooperate with Croatian political bodies in Bosnia-Herzegovina? How could Muslims trust them and vice versa? During the first 10 days after the Constitution of the Federation of Bosnia-Herzegovina was adopted, may of the actions of these people were directed toward a blockade of the Washington agreements. The state of Herzeg-Bosna and its "presidential council" did not cease to exist, for example. The practical enforcement of the agreement (detention camps, communications, the legitimacy of Croatian representatives in the parliament of Bosnia-Herzegovina, the treatment of "non-HDZ" political representatives etc.) is also being inhibited. Will the people of this political profile carry out the Washington agreements? The United States certainly does not expect these people to protect them from Islamic fundamentalism and an Islamic state in Europe! What will happen with Albania, Kosovo, and Turkey in such a case. (Not to mention Romania, Bulgaria, and Greece, which "cannot await" to enter the sphere of Moscow Orthodox interests!) The Washington agreements could have been implemented without any victims and destruction two years ago. [passage omitted]

Democracy and Risk

Antifascism is the basis of our present state, as you keep on pointing out, at least for international consumption. This is a historical issue and we thought that the unity of the Croatian people in the war against the Serbian aggression made this issue uninteresting. Unfortunately, you were the main actor in "Vice's" movie [not further specified] where you tried to disqualify Mr. Cesar, the leader of the Croatian Christian Democratic Party, because he was an obstacle to the membership of the HDZ in the European Christian Democratic Union. This is, at the same time, the answer to you regarding who is blackmailing whom and for what reason. We should enable the younger Croatian generations to live a life without burdens from the past; let us not allow history to make a new division among Croats.

It is better not to mention the paternalistic overtone you use when speaking about me—"he should go to the Constitutional Court and... be calmed there." Tudjman has forgotten that an elected member of the parliament, the chairman of the Chamber of Counties and a member of the HDZ Presidency and its Main Committee cannot be "calmed" by a decree and the wish of an individual, because he is politically and morally responsible to the people and the party membership. I am not one of those advisers, civil servants, or business adventurers who enjoy greater or smaller privileges (such as apartments, company stocks, business premises, membership in administrative bodies etc.). They can be "calmed" by such privileges, or if they are consistent, they fall into anonymity. There cannot be any "calming" in political issues of the highest priority for the Croatian future. There is no such individual, whatever his position might be, even if he is the president of the Republic and the ruling party leader, who could decide on his own about such important matters.

In his political career, Josip Manolic has not violated a single postulate of democracy, including the democratic Constitution and laws. He has behaved and acted consistently with all democratic postulates. When his attempt to start a democratic discussion in the HDZ about elementary questions regarding the future of the Croatian state and its people was undermined, he—quite legitimately—addressed the Croatian people and informed them of controversial matters within the HDZ, which are of vital importance to all Croatian citizens. An honest and responsible politician has to speak in front of the people. I do not think that you have expected me—since you know me well—to be silent about the dangers of the policy you have been pursuing just to save my position as chairman of the Chamber of Counties and a member of parliament. I am not made for such "honest outcomes." Democracy is a risk for politicians. Their opinions and attitudes may be contested and criticized. If the president looks for conspiracy or motifs for his "overturn" behind an expression of a normal democratic attitude (mine), this is from fear of responsibility for the things done.

Mr. President, you have been counterfeiting history. I quote: "....during 1992 when we were formally recognized, but did not have real friends."

Croatian politics had the most and the best—the "real"—friends during its struggle for independence and international recognition. You should just think of statements issued during the struggle for Croatia's international recognition. Think of the support of Mr. Kohl, the German chancellor, Mr. Genscher, his deputy, the support of the Vatican and the pope, Mr. Cossiga, the Italian president, his visit to Croatia. You should not forget very the intense communication and help offered by friendly Austria. All of them told you, asked you, and advised you not to go into a conflict with Muslims. You have lost real friends because of your agreement on a division of Bosnia-Herzegovina with Milosevic, you fell for Milosevic's trick.

I quote again: "Representatives of one international power told me during a visit: 'Mr. President, you probably know that you have to make a new defense and safety system. We are ready to help you, but without Josip Manolic, please.'"

Mr. President, I would like to point to two things in connection with this citation. The first is a blunder that a head of state must not make unless he wants to humiliate himself and the state he represents. Can you imagine a head of state who is visited by a foreign intelligence service spy and asked to dismiss the head of the intelligence service of his sovereign country. By this act of yours, you have made "a banana republic" of Croatia and a figurehead of yourself, which is a subversion of national interests.

The second thing I want to remind your of is my reaction to the respective information you gave me. This was a game with foreign intelligence interests—their services were looking for "their space," in other words for persons surrounding you. The whole thing was not about me, but about you. On that occasion I told you that I had accepted a decision about a political function, but that I could not accept the Constitutional Court because that function would exclude me from political life. Your explanation was: "The problem is Croatia, our increasing isolation from the international scene, especially in the field of economy, but also in other fields," and so forth. It was my pleasure to ask you ironically on the first anniversary of our conversation about my dismissal whether the Croatian position and your personal position had improved. No comment. Sanctions had already been prepared at that time, they had only not been made public. I wanted to remind you that it was not I who was a problem, but you. Your politics became an impediment to the recognition of Croatia in the world.

"In Croatia's Interest"

All this was "in Croatia's interest." Your set phrase is: "The problem is Croatia." You have covered up all personnel changes in the government and in the ruling

party by this phrase. Even the latest act, by which the autonomy of parliament was violated—the president of the parliament was sent on vacation during a session of the parliament, and you manipulated the election of the State Courts Council through the VONS (Defense and National Safety Council); your adviser Pasalic said in a VONS session: "We need courts that will carry out official politics." Should the autonomy of the Supreme Court, of the Chamber of Attorneys-at-Law, of the parliament and government be abolished because of such courts?! Where is this leading? To dictatorship and tyranny.

It is necessary to quote one more of your allegations: "...because the proposal for his dismissal obviously came because of his contacts with services from the previous regime and his communist views. It is well-known that he has most contacts with people from 'old services.'"

All my functions in the Ministry of Internal Affairs and in the parliament were public. I can say with full responsibility that I have always acted according to the Constitution and laws. I always helped people who needed help. I am not registered as a spy with any of the foreign intelligence services. This enabled me to be sovereign in my job. As far as my contacts with people from "the old service" are concerned, it is correct that I have contacts with them, but we have achieved the following things with this old service:

1. We took power after the multiparty election in 1990 without any single victim owing to visible or invisible people.

2. During the Serbian aggression these people took some of the burden, made a selection among their own people, and supported us in all our actions—the first military attacks were blocked by people from the old police, who were admittedly at that time already strengthened by young policemen. Many of them were real heroes in the war, as for example, Mr. Starcevic, head of the service for the Protection of the Constitutional Order, and Zeljko Tomljenovic, deputy minister of internal affairs. The prize they got, like several hundred others, was retirement. This was revenge against people who did everything for us, but were punished only because they came from the old system. Revenge was not a part of the HDZ program in the election campaign. Whose policy is this? The pretext for it is the same phrase: "It is in Croatia's interest."

Mr. President, I do not want to discuss "communist views" and our past with you. We went through this rough school of communism together. I fought against these attitudes for decades and finally disassociated myself in 1970. I was excluded from the League of Communists in 1971 together with other Croatian dissidents.

My work in the HDZ has been characterized by democratic relations. Your treatment of people, however, was full of despotism and intolerance toward other opinions. These characteristics of yours make you close to communistic behavior. This is reflected in the party in general, which you have brought to collapse.

According to the Statutes

Mr. President, I agree with your assessment that we do not agree on anything any longer, especially not in politics.

As far as my dismissal from the function of the president of the Chamber of Counties is concerned, I have performed it strictly according to the Statutes and the democratic procedure (and it is known that the procedure is the essence of democracy), which has to be respected in first of all in parliament. This lecture on democracy is necessary if we want to cherish the democratic culture in future.

I did not work on the above mentioned statutes, they are a work of your law adviser, who compiled it according to your instructions—so the Statutes serve the ruling party. It has now come into the hands of opposition, and that is where the problem developed. According to the statutes, only the president of the Chamber of Counties can convene a session, and this at a moment he politically assesses as opportune.

In closing, I would like to mention that Croatia is not destabilized by politicians who ask questions about vital matters regarding the foreign and domestic safety of Croatia; it is destabilized by your policy, which has led us to the brink of disaster.

After all, why are you, Mr. President, upset by these issues, why are you using words such as "destabilization," "dead and wounded," "honorable outcome," "East and West," "Muslim element," "rift," "constitutional crisis," "overturn of the president" if—as you say—"he will take less than 1 percent of HDZ members with him"? Why so many words about this 1 percent, why put the whole party and media machinery into motion, why so much fuss about it?

Wiretapping Activities by Secret Police Alleged

94BA0245B Zagreb DANAS in Serbo-Croatian 5 Apr 94 pp 25-27

[Article by Boris Komadina: "Who Is Eavesdropping on Whom?"]

[Text] *After the scandal that happened at a reception at the Germany Embassy in Zagreb, in which Seks and Budisa participated, our public's attention has been drawn again to the work of the Croatian secret police.*

When Deputy Prime Minister Vladimir Seks set out for the evening reception that was arranged by Horst Weisel on 24 March in the German Embassy, he probably expected a relaxed atmosphere, choice wines, a well-spread table, and comfortable small talk with the diplomatic and other political elite. He certainly did not

expect an awkward scandal. That is precisely what happened, however. The next day, on 25 March, Drazen Budisa, president of the Croatian Social Liberal Party [HSLS] and a deputy in the Chamber of Deputies, wrote an open letter to Prime Minister Valentic, which was carried by all the daily newspapers in the country. The letter states that after dinner, during a conversation in which Slovene Ambassador Matija Malesic, Deputy Finance Minister Bozo Prka, Milan Djukic, SNS [Serbian National Party] president, and Presidential Adviser Nenad Porges participated, Seks stated that he knew what Budisa had said at a recent HSLS meeting in Virovitica. In response to Budisa's inquiry about how he knew that, Seks answered that he had recordings that the police had delivered to him.

"I ask you, esteemed Mr. Valentic, to give me and our public an answer as to whether the police are recording HSLS meetings with your instructions and approval, and if not, I request that you urgently inquire who is doing it and on whose instructions," Budisa's letter said. It also expressed the hope that the government's policy did not include police monitoring of opposition parties.

Four days later, on 29 March, Vladimir Seks answered Budisa's open letter with an article entitled "Drazen Budisa's False Misinterpretations." Categorically denying Budisa's statements, at the same time Seks also explained Budisa's motives: "It is quite unlikely that I would make such a statement to Mr. Budisa, and his request that the conversation be translated for the German ambassador obviously indicates Budisa's intention of once again indicting, accusing, and denouncing the Croatian state, while portraying himself as a politician who, as a democrat, ought to be president of the republic in accordance with alleged foreign 'tastes.'"

Valentic's Quick Response

Who said what to whom and how it was interpreted is not that important, because only Seks and Budisa know the real truth about the course of the conversation. Far more serious is the mention of the alleged secret recording being done by the police. It is therefore not surprising that there was a quick response from Prime Minister Valentic, who said in connection with Budisa's accusations, "The Service for Protection of the Constitutional Order of the Republic of Croatia is not operationally interested in meetings of political parties, or in communications among them. Consequently, any sort of recording of the meetings of the HSLS or any other party is out of the question. I therefore reject any possibility of that the police acted in Virovitica in the way stated by Mr. Drazen Budisa. At the same time, I strongly protest the reference to the police in this context, whoever made it, because those allegations are unfounded and untrue."

Zdravko Zidovec, the interior minister's chief of staff, said about this: "The claim that the police recorded an HSLS meeting in Virovitica is ridiculous. I categorically reject that possibility."

Regardless of the content of the conversation between Seks and Budisa at the German Embassy, attention really has been drawn to the work of the secret services. "The state sees all, the state hears all," is the well-known slogan of the totalitarian regimes with which the communist authorities frightened us for 45 years. It is therefore not surprising that the Croatian public is sensitive to references to secret recording, monitoring, or the wiretapping of telephones. The fact is that the Croatian state inherited many of the former regime's institutions, and thus also a large police apparatus. A thorough restructuring of the intelligence services was therefore one of the first steps that Croatia took. The Service for Protection of the Constitutional Order [SZUP], which is the best-known "secret police," was created, and intelligence services are also possessed by the Defense Ministry (the SIS [Security-Information Service]) and the Foreign Ministry (Section 8), along with the youngest Croatian Information Service [HIS]. The legal framework regulating their powers and operation, as well as control over those services, was supposed to be modeled after that of other democratic countries. Their work is based on the constitution and special laws, for example, the Law on Internal Affairs (the SZUP).

Internal Regulations

It is thus said of the SZUP that it is "one of the police services within the Republic of Croatia's Interior Ministry," and that "in accordance with the constitution and the law, it handles matters related to protecting the order established by the constitution, within the framework of which it collects information and intelligence, and undertakes other necessary measures to detect and prevent activities aimed at undermining or destroying the order established by the constitution and threatening the country's security." It therefore focuses its activity on those criminal acts that are, in principle, prepared in secret and in an organized manner, such as terrorism, espionage, and so forth.

Some occurrences in the past two years, however, drew the public's attention precisely to the work of those services. This has to do primarily with wiretapping certain individuals. The first such accusation was uttered by the controversial Nikola Viskovic, a deputy in the last Assembly. The second case, which was exploited even more by the media, is, of course, the "case of Manolic's special telephone," through which he could obtain a direct connection with any continent, and which someone regularly blocked two days out of the week. Both cases once again revived the question of where the limit to the secret services' work actually was. In the end, wiretapping is not any kind of bogeyman if it is conducted strictly in accordance with the law, and if all possibilities for abuse are eliminated.

The powers of the SZUP, however, are not based exclusively on the constitution and the law. As we have unofficially learned, there are also internal regulations, which are classified at such a level that even SZUP employees cannot read them until they pass all the tests,

take the oath, and receive official identification. It seems that through the unnecessary mystification of their work, those services are actually doing themselves a disservice. It is precisely for that reason that we will list some of the devices used by similar services in the world.

Eavesdropping Devices

A laser system for eavesdropping on inaccessible premises consists of a transmitter that sends a focused beam to the glass of a window, while the receiver catches the modulated beam in the form of the vibrations resulting from speech and turns it into an audio signal, filters it, and amplifies it. There is also a probe for surveillance and eavesdropping: Through at least an 8-mm opening, a probe is inserted, at the end of which is a sensitive microphone and a lens with a 90-degree field of vision; an ordinary camera, video camera, or tape recorder can be installed on the other end of the probe. These two devices are among the most modern ones in the world, and are said to be highly sophisticated instruments.

A simple instrument for eavesdropping on telephone conversations consists of a tape recorder and a device for recording the operation of the telephone dial. That kind of tape recorder is activated whenever the telephone rings or when the phone is picked up. The numbers dialed from the telephone that is being tapped are also recorded on a separate tape. The biggest producers of this and other eavesdropping equipment are Japan, Great Britain, France, Germany, Sweden, and the United States. Today the TRM series from 0040 to 0045 are among the best-known and most highly valued eavesdropping devices. The TRM 0040 is a microcassette recorder with a size of 119 x 55 x 17 mm and a weight of 160 grams. Thanks to this, it can be camouflaged very well in a pack of cigarettes, for example. It can record a conversation at a distance of up to 10 meters. It also has a remote control attachment, a tape counter, and a memory button. It is equipped with an additional device for voice activation, so that only so-called active speech is recorded. These are only a few of the eavesdropping devices that can be bought in West European countries in any well-equipped store selling technical goods.

Information is power. The one who has it and who can get it before others has more power, and more authority. Playing with that power is dangerous, and that is why control mechanisms exist. Any indication of possible abuse of that power is useful and welcome.

[Box, p 26]

Vladimir Seks, Croatian deputy prime minister: "Budisa Is Making a Provocation"

[Seks] You can associate this story of Budisa's with the one that the Croats destroyed a mosque in Livno. Budisa knew very well that everything bad that was done in the areas that are under the control of the Croats in Bosnia would be attributed by world political factors to the Croatian government. I understand political rivalry, competition, and scoring political points, but this shows his great impatience and goes beyond all bounds of fair play. Budisa's use of such misinterpretations in front of another country's ambassador is irrational and unclear. One can conclude precisely from that that this is a deliberate political provocation through which Budisa tried to discredit the government, the Interior Ministry, and me personally in front of the German ambassador. It really is ridiculous that I would make such a statement. Budisa and I have been friends for many years, but obviously his desire for a political breakthrough knows no bounds.

[Komadina] At one time you were also the state attorney. Did you ever encounter cases in which the police secretly eavesdropped on or recorded any party's meetings?

[Seks] Never.

[Box, p 27]

Drazen Budisa, HSLS President: "Seks's Inventions"

[Budisa] It really is quite improbable, as Mr. Seks said in his statement, that he said what he did. Unfortunately, a lot of things in Croatia that are quite improbable are real and true, and so is Mr. Seks's statement.

In the conversation that we had the next day, after that dinner, Seks did not deny his words, but only stated that he was joking, and it seems that that is how the other participants in the conversation also perceived it. I do not have any appreciation for HDZ [Croatian Democratic Community] wit, however. Consequently, the truth is precisely what I wrote to Prime Minister Valentic. On the contrary, it is not true that there was any discussion that evening about my representing myself as the future president of the Croatian state. Those are really Mr. Seks's absurdities and inventions. Now I am only considering what the people who participated in the conversation that evening are thinking about Mr. Seks.

[Komadina] Had you already had similar information about your meetings being recorded?

[Budisa] No. We did not even refer to that. I do not know about any recording, and that is precisely why Seks's statement was shocking—especially because he told me about it, if it is being done.

Information on Rijeka 9th Guard Brigade

94BA0251A Zagreb VJESNIK in Serbo-Croatian 11 Apr 94 p 6

[Article by Damir Herceg: "The Wolves From Rijeka's West Point"]

[Text] Rijeka—When the honor fell to Rijeka to get the 9th Guard Brigade, many people asked themselves: How would they fill the ranks of that professional unit? It is after all well-known that people in Primorje have never been overly fond of the military uniform and weapons, but when it is a question of defense of the homeland, soldiers are a pride and an example. This has best been

shown during the last three years of war on battlefields all over Croatia, from Kostajnica to Vukovar, but especially in the Lika theater. Finally, the young men from the Rijeka region have been the most numerous among the volunteers in the HOS [Croatian Defense Force], according to certain figures.

People in Rijeka are proud of their 9th Guard Brigade, of their Wolves, and now there are more and more from Primorje who want to join the ranks of the Wolves, that is, who want to become professional soldiers. It should be mentioned that life in the Rijeka region is not so bad that people would have to look to the uniform for financial security. In Rijeka, after all, in spite of all the troubles in the economy, it is still easier to find a job on water or land than in a majority of cities in Croatia. It is not just the money, then, that men from Rijeka are seeking in the ranks of the professional soldiers.

The training for selection of enrollees for all the guards brigades of the Croatian Army [HV] is conducted in the garrison on Trsat, which many call the Rijeka West Point, partly because of its fine location and partly because of the way in which the training is conducted.

Captain Stevo Prazic, a superb theoretician and pedagogue and still more superb fighter, is commander of training of candidates for selection on Trsat at the moment, so that his training is useful even to those who are war veterans. Another veteran of the Homeland War without whom the training for candidate selection is unthinkable is Lt. Svjetlana Doricic, psychologist, who is training officers and other men. At the beginning of the war many officers felt that they and the men had no need for a psychologist, least of all a woman, but only cannon. Today Svjetlana Doricic is probably the most respected person in the garrison on Trsat, and not only because of her looks, since the story is that many apply for training just to have a chance to talk to her. To round out the dominance of women in the training of candidates for selection there is also Dr. Mirjana Dosen. The basic precondition for someone to be able to begin training at all is to pass the medical examination and psychological testing.

The selection and training of candidates follow the NATO formula, and after 30 days of training the two sides can see whether a contract is to be signed or not. If either the Croatian Army or the candidate is dissatisfied, the person who has gone through the training receives payment for that month and returns to civilian life, and, if he is employed, to his enterprise.

They say on Trsat that the important thing is not the specialized training and rating one intends to pursue, but rather the basic thing is to have your *domovnica* [certificate of origin] and to be between the ages of 18 and 35. Good communication has been established with employment security bureaus for the region of Rijeka and Istria, where conversations are organized with young men who are unemployed. They are informed about the advantages of serving in the HV, and after these conversations many find it much easier to decide to go to Trsat.

We visited one company of candidates during training. We found them on the exercise ground, and from what we saw, the uninformed might think that some Croatian modern version of the Normandy landing was being filmed. First Lt. Alen Valjan, a Rambo with the face of a child, is the commander of these lads; there are three groups of candidates in training: young soldiers, veterans of the Homeland War, and civilians, and it is up to him to get that "orchestra" in tune. The candidates have a reinforced diet, but after 30 days no one any longer has a belly hanging over his belt. It would seem that the older and "heavier" men are somewhat more concerned about getting in shape.

It is evident that the boys are happy with their equipment and the way the training is being conducted, since the uniforms, berets, weapons, and equipment they are wearing and carrying now are for the present those which they have had occasion to see only in U.S. war films. Some of them have even pasted the name of their girlfriend on their gun, so now we do not know whether they like the rifle better because of their girl or the other way about.

This year has been proclaimed the Year of the Wolf, since that species is threatened with extinction; to judge from what we saw on Trsat, the Rijeka 9th Guards Brigade will get most of the young Wolves.

Finance Ministry Implicated in Tax Scandal

94BA0245C Zagreb DANAS in Serbo-Croatian 5 Apr 94 pp 28-29

[Article by Marko Franjic: "How Much Do the Herzegovinians Smoke?"]

[Text] *The key question is not the individuals involved in smuggling; more important is the state budget's revenue from taxes on tobacco and the control over their payment, because if there are holes in the regulations and control over the payment of taxes, there will always be smugglers.*

There are 450 metric tons of cigarettes smoked in the Croatian republic of Herceg-Bosna, but three Croatian factories officially export a total of 2,500 tons of cigarettes there. Where the 2,000 tons of cigarettes went, and whether taxes were paid on them, because it is assumed that 60 million German marks [DM] in taxes have not been collected, was a deputy's question from Vice Vukojevic on the first day of last week's Assembly session. Prime Minister Nikola Valentic himself gave him an interesting answer. The answer was approximately that some of the cigarettes were exported to Bosnia-Herzegovina, but it was most likely that a large amount of that tobacco ended up on the Croatian market and thus evaded taxes.

After that, just a few days after the Assembly session, everything continued to proceed in the established order and rhythm, as if it had not upset anyone too much. Since the question involved fairly specific statements, it seemed that Vice Vukojevic had more facts, and so we asked him to expand on his question and explain what was going on, and whether he perhaps knew anything more about the whole case.

During the Assembly's recess, however, Vukojevic only responded briefly to our query by saying that we should ask the Finance Ministry who was given permits to export tobacco and tobacco products, since the key and the answer lay in that, while he himself, until he received that information, did not want to comment on anything else. So far no one has spoken up, although all three Croatian tobacco factories were clearly identified in the deputy's question: the Zagreb, Rovinj, and Zadar factories. They were called upon to answer where they had marketed the 2,000 tons of tobacco, and whether no more or less than about DM60 million in taxes had been paid for those cigarettes. Also named was the Finance Ministry, which has jurisdiction over issuing export permits. It is also concerned with supplying the state budget, and it ought to know how much cigarette tax has been collected. It is interesting that at the last session of the Assembly, one of the agenda items was the state budget, and the Ministry's strongest staff, with the prime minister's assistance, had a great deal of work to do in defending the proposed figures before the deputies.

Germany One Hundred, Croatia Three

Furthermore, the IMF announced that Croatia would have to prepared a state budget for the next three years if it wanted to conclude arrangements with that institution. Naturally, in that situation the key question is where to get the money, not only as a fictitious amount on the paper of the state budget, but rather as real collected revenue, which means that the ministry absolutely has to take into account the collection of taxes. The tax administration, which operates as part of the Finance Ministry, has just prepared a proposal for excise duties, a new system for taxing products that are of interest for taxation in every country, which also include cigarettes, because most of the tax revenue is collected precisely by taxing tobacco, alcohol, and oil. Every year Germany collected DM100 billion from those three products, while Croatia, according to some assumptions, should earn at least DM3 billion. When we add to this the claims expressed several times—also unofficially admitted by the tax administration—that the state lost DM200 million on imported and licensed cigarettes and the smuggling of those cigarettes last year because of the inappropriate tax system, it is clear that this is not a problem that just appeared yesterday, nor does it concern negligible revenues.

Furthermore, the state introduced stamps for cigarettes a long time ago, and precisely thereby declared war on smugglers, and by a special decree it tried to regulate exports of certain products, including cigarettes, precisely because of smuggling, which threatened the state budget's revenues. That decree prescribed that deposits would be paid on exported goods, and when it was proven that the exports had taken place, the Finance Ministry would return the deposited money to the exporter. Consequently, even before the introduction of the stamps (on 19 November 1992), it was known that cigarettes were a commodity of interest for smuggling and that the state treasury was being left empty because of that "interest."

Recently in the Varazdin area, the police there seized large amounts of smuggled cigarettes and alcoholic beverages. As the policemen explained, the goods, although intended for Bosnia-Herzegovina according to the documentation, came from Slovenia. Specifically, a large amount of cigarettes was first purchased at the Rovinj Tobacco Factory, and then, according to the documentation, it was supposed to be exported to Bosnia-Herzegovina. It was taken to Slovenia, however, and after that it was smuggled to the Varazdin area, where it was offered at lower prices. So far there have been a lot of interested customers there, who probably knew where the cheaper cigarettes came from and how.

Tobacco Smuggling Lobby

After that seizure of the smuggled goods, the Varazdin police administration says that one can now speak of organized groups and a well-developed network for the purchase and smuggling of cigarettes, but also other goods. The system is already known, and, one might say, the usual one until recently. First of all a factory in Bosnia-Herzegovina is found that will fictitiously buy the cigarettes, which afterwards, of course, end up on the Croatian market at lower prices, because the high taxes, which are 60 percent for domestic cigarettes, are not paid. Judging by the suspensions of policemen and customs officers, one can assume who else is in the smuggling network in addition to Croatian factories and the ones in Bosnia-Herzegovina. Specific names are not being mentioned yet, however, and it is not known whether the network is controlled by one center of power or whether there are several organized groups. One could hear stories in the corridors—and one of them was publicized precisely in DANAS—that one Zagreb private businessman tried to go into the business as an independent, but after having paid $420,000 for a truckload of Marlboros, he was left without the cigarettes or the money, since the deal was not "agreed upon" with the smuggling lobby that allegedly controls that profitable business.

After a year and a half the result of all this, aside from the individual successful and ostentatiously presented police operations to prevent smuggling known as "Stibra" [Tax] and the firm promises that the economy will be put in order, is Vukojevic's deputy's question, bringing up the same problems again, which may imply that they have not been solved. Deputy Prime Minister Vladimir

Seks, who is responsible for monitoring the implementation of the "Stibra" operations, says that both the regular police and the financial police have already been monitoring and checking what is happening in the profitable cigarette business for some time now. The confiscations of smuggled cigarettes, and even the suspensions of policemen and customs officers, resulted from that. Vladimir Seks, however, did not want to prejudge anyone's guilt, and thought that it would not be proper to talk about the involvement of people from the tobacco factories in cigarette smuggling and even about the names obtained during the investigation, since the investigation has not yet been completed.

A Time of Big Scandals

So far it is known for certain that the goods were not exported, that they did not end up where they were supposed to according to the customs declaration, and instead were sold on the black market, probably in Croatia. It is also suspected that customs declarations were falsified. Since this is all still the subject of investigation, however, not even Assistant Finance Minister Bozo Prka could comment much more on it, as he politely explained. Nevertheless, it appears that this time, what has been uncovered and what is being investigated will not be hushed up. Our impression is that the state authorities are now working seriously on this, but the question is whether it will be brought to a finish or whether the public will be offered some "little fish" as scapegoats. After all, the key question is not the individuals who are engaged in this; what is more important is the state budget revenues from tobacco taxes and control over their payment, because if there are holes in the regulations and control over the payment of taxes, there will always be people interested in smuggling.

According to the proposed model for tobacco taxes, or excise taxes, they will be 6,000 and 8,000 dinars, depending on the location of the sale, for foreign cigarettes, and 2,400 and 3,000 dinars for domestic cigarettes, with customs duties also paid for imports of foreign cigarettes. The difference in taxes for foreign and domestic cigarettes was the big reason for the smuggling of those cigarettes, but Croatia's joining GATT [General Agreement on Tariffs and Trade], which is in preparation, will be based precisely on the requirements to make taxes on domestic and foreign goods equivalent, with tariffs being the instrument to protect domestic production. The question is whether the proposed model for taxing cigarettes will pass, while experience with smuggling seems to have taught the Croatian government nothing.

When the present events are summed up after an interval of time, this will certainly be remembered as a time of big scandals for which no one has been held accountable, because not one official has resigned or left because of mistakes and omissions. In some cases there has not even been an attempt to determine who could have been responsible for a certain mistake, but without that, things will not be put in order.

Gligorov on Greek Dispute, Kosovo Dangers

PM2504161294 Copenhagen BERLINGSKE TIDENDE in Danish 23 Apr 94 p 8

[Report on interview with Kiro Gligorov, president of The Former Yugoslav Republic of Macedonia, by Soren Ostergaard Sorensen in Skopje; date not given]

[Text] Skopje—More than any other European country, Denmark has defended the new Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] nation and shown greater courage and firmness of principle in the country's conflict with its southern neighbor, Greece. This lavish praise comes from a head of state 2,500 km from Copenhagen. In an exclusive interview with BERLINGSKE TIDENDE, Macedonian President Kiro Gligorov gave the credit to the Danes for the fact that 11 European Union (EU) countries have now taken Greece to the European Court and have through diplomatic channels been pressing the Greeks into a corner to bring to end to the heated campaign against the Macedonian Government.

The Greeks' blockade is threatening to destabilize not only the whole of the southern Balkans, President Gligorov said. A destabilization which in the final analysis could lead to a bloody new Balkan war. But the present and previous Danish governments have been the most active in trying to prevent such a development, the president told BERLINGSKE TIDENDE in the Macedonian capital of Skopje.

"Denmark is the most encouraging ray of light in the EU. A small country which courageously remains firm on its principles and dares voice them internationally. This is something that I think will be remembered in the EU and to a special extent here in Macedonia. Denmark shows that you should live up to the documents you sign, the documents which form the foundation for the European architecture. At the same time Denmark's stance is a defense of all small countries and therefore also a defense of Denmark itself," said Kiro Gligorov, who does not on the whole think that the EU has done enough to defend Macedonia against its Greek neighbor.

"Throughout the lengthy period since the conflict with Greece started, the EU could have gone to work much more toughly. We are after all talking about actions undertaken by an EU country. It is a conflict on the EU's borders, and a serious precedent will be set if the EU is unable to solve this problem. The point has now been reached at which the EU had to intervene and take Greece to court. Such a course of action was inevitable and hopefully Greece will reach its conclusions and preempt the trial by lifting the blockade. We would like to avoid the trial taking place. But if this does happen and Greece is found guilty, we take the view that the EU must find sufficient means to pressurize Greece into lifting the blockade," the Macedonian president said, pointing out that the EU also has an economic interest in having the blockade lifted as soon as possible, because Macedonia will confront the organization with demands for compensation for the enormous losses the small nation is suffering because of its isolation. President Gligorov estimates that the loss of income from trade and the repercussions for industry and agriculture amount to $86 million per month (more than half a billion kroner).

The conflict with Greece still centers on three main complaints. The Greeks are demanding that Macedonia should change its name, its flag and its national symbols, and its Constitution. All of these are symbols which the Greeks fear could lead at some later date to the little country's making territorial demands on northern Greece. The use of the Vergina star in Macedonia's flag which is thought to have been Alexander the Great's royal symbol, is viewed in Athens as tantamount to the theft of Hellenic culture. That is why Athens is demanding that the flag and symbol must be removed before the blockade can be lifted.

President Gligorov, who is depicted in Greece as a diabolic Greater Macedonian nationalist and dictator, sat in the presidential palace next to the red-gold flag with the sun of Vergina which he is unwilling to abandon to satisfy the Greeks' "national hysteria."

"Throughout this process we have shown the greatest amount of goodwill vis-a-vis the Greeks' problems. But there has to be a limit to how far we can go, if we are not to give up our national identity completely. It can be in no one's interest that this should happen. It could lead to similar demands from other neighbors. It could destabilize not only our own country but the whole region and Greece in the process, if we gave in to all these demands. We need an agreement which respects our national identity and creates a foundation for a permanent and peaceful relationship between our two countries.

"Here in the Balkans where everything is mixed up in great confusion symbols take on very great significance. But many of our symbols in this region are common property, and I think that it is important that in the future we should view with tolerance and understanding the symbols as common property. The Greek antique culture is part of the cultural legacy of the whole of mankind. If the heated atmosphere in Greece continues and national frustrations remain as they are now it will be impossible to find a solution," Kiro Gligorov said, stressing that Macedonia is the only republic which has left the former Yugoslavia without acts of hostility as a result.

"Instead of always talking about Macedonia as a powder keg which could explode any minute, Macedonia should be seen as fundamental pillar of peace and stability in the Balkans. Despite all the warnings and threat scenarios we have succeeded in creating a stable and peaceful society. If this had NOT happened, the war in Slovenia, Croatia, and Bosnia-Herzegovina would have spread south and would have created an all-embracing Balkan war," said Kiro Gligorov, who thinks that the biggest external

danger to Macedonia is an explosion of the tense situation in Albanian-dominated Serbian province of Kosovo. If it comes to violent clashes between Kosovo Albanians and the Serbian authorities, this could trigger a flood of refugees to the south which could threaten stability in Macedonia where there exists a very fine and difficult ethnic balance between the Macedonian majority and the large Albanian minority. In such a situation President Gligorov would expect the countries of the West to help by taking the perhaps several hundreds of thousands of Kosovo Albanian refugees.

"There is a danger of a destabilization of Macedonia in the event of a conflict in Kosovo, and in such a situation the refugee problem would probably be dramatic. As a small, poor country we will not be in a position to accept a very large number of these refugees, quite simply because we cannot create a life for them here and because we would not be able to guarantee our own internal stability. Our task in such a situation would therefore be to collect the refugees at the border and have them transported on to countries which have a better chance of taking them on and where there is no political danger involved in accepting these refugees."

ΩResults of 3 April Election Viewed

94P20649A Skopje NOVA MAKEDONIJA in Macedonian 5 Apr 94 p 4

[Editorial Report] After several weeks, the issue of who will fill the vacant parliamentary seat of The Former Yugoslav Republic of Macedonia (FYROM) in Kisela Voda district south of Skopje has been resolved, according to the 5 April issue of the Skopje daily NOVA MAKEDONIJA. Zore Temelkovski, the candidate of three of the four parties in the governing coalition—the Social Democratic Alliance of Macedonia (SDSM), the Liberal Party (LP), and the Socialist Party (SP)—won 2,431 votes in the 3 April runoff election. The other two candidates were Zoran Sindiliev of the Democratic Party (DP), who received 1,641 votes, and Branislav Sinadinovski of the Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity (VMRO-DPMNE), who received 1,467 votes. Turnout for the election was light: Of 13,172 registered voters, only 5,822 (44.2 percent) cast ballots. According to NOVA MAKEDONIJA, both the DP and the VMRO-DPMNE have charged that the election was unfair, citing among other irregularities a "sudden change" in electoral boundaries. The number of registered voters in the district was said to have changed from 13,035 in the first round to 13,172 in the runoff.

After a campaign punctuated with "desecrations" of party posters and fist-fights among the youthful fans of the rival parties (NOVA MAKEDONIJA, 16 March) the first round was held on 20 March. NOVA MAKEDONIJA of 22 March reported that the winner was Temelkovski, with 1,802 votes (about 30 percent). The runner-up, Sindiliev, received 1,473 (about 25 percent), and the third-place candidate, Sinadinovski, garnered 1,154 (about 19 percent). Another 20 percent was split among eight candidates, with the nationalistic parties winning 483 votes.

According to the same NOVA MAKEDONIJA report, the DP and the VMRO-DPMNE charged that the election results were unfair because people had been allowed to vote without showing their personal identification papers as the election law stipulated. Although the Supreme Court rejected their appeals, the electoral commission decided that voters would be obliged to produce their identity cards in the second round of voting on 3 April (VECER 31 March).

The governing coalition's victory brings its total seats in the 120-member parliament to 74, including those held by the Party for Democratic Prosperity (PDP), an ethnic Albanian party. The distribution of seats is as follows:

VMRO-DPMNE—32,

VMRO-Democratic Party—1,

SDSM—28,

SDSM-LP-SP—1,

PDP—22,

PDP-People's Democratic Party—1,

LP—18,

LP-SP—1,

SP—4,

Party of Yugoslavs—2,

Party for the Full Emancipation of Romanies—1,

DP—4.

There are five independents. The foregoing numbers are drawn from a NOVA MAKEDONIJA series on political parties published between 22 January and 8 February, as well as press articles from 1993 and earlier.

According to the FYROM Constitution, the quorum for Assembly proceedings is a majority of the total membership (61); decisions are made by a simple majority of those present, which must, however, amount to at least one-third of the total membership (40); certain laws, such as those involving changes to the country's borders, declaring war, and amending the Constitution, require a two-thirds majority (80).

Attitudes of Electorate Toward Voting Viewed

94P20638A Skopje VECER in Macedonian 31 Mar 94 pp 4-5

[Editorial Report] The low turnout in a recent parliamentary by-election in The Former Yugoslav Republic of Macedonia (FYROM) prompted a team of journalists from the Skopje daily VECER to conduct a survey on the

public's attitude toward voting in the general elections scheduled for November. The results of the poll were published in the 31 March issue of VECER on pages 4 and 5. The journalists interviewed 200 people, half of them Skopje residents and the remainder residents of 10 other towns in Macedonia, asking two questions:

—Will you vote in the November elections (with the predetermined responses: yes, no, and do not know);

—Why (with a few answers mentioned but no overall results given). The interviews were conducted partly by telephone and partly face-to-face. VECER claims that it followed "appropriate methods" to assure that the respondents were chosen "accidentally" and remained anonymous. The responses to the first question are broken down by ethnic group: Macedonian, Albanian, and other (Turks, Serbs, Romanies, and so forth), and by gender. VECER provided no further information on methodology, nor was the margin of error supplied.

Anticipating Turnout

According to VECER, voter turnout in Macedonia's first multiparty elections in 1990 was about 84 percent. Noting that voter turnout can change dramatically and that it is thus too early to predict voter turnout in November, VECER recalls that in the first round of the by-election, which was held on 20 March, 46 percent of those eligible voted, but that in a subsequent survey 54 percent indicated they would vote in a 3 April runoff round. VECER promised to sample the mood of the electorate periodically.

With respect to the November elections, VECER found that 73 percent of those surveyed planned to vote, with only 13.5 percent saying they would not vote and an equal percentage uncertain. People between 35 and 45 years of age were the most inclined to vote, as were those with a secondary or higher education, 77 percent of whom intended to vote—compared to only 36 percent of those with a primary school education. Gender was also salient: 81 percent of the men surveyed intended to vote, compared to 59 percent of the women. The breakdown by ethnic groups is shown in the table below:

	Will Vote	Will Not Vote	Undecided
Macedonians	75	9	16
Albanians	72	23	5
Others	63	23	14

Conflicts Over Personnel in Interior Ministry

94BA0206A Skopje NOVA MAKEDONIJA in Macedonian 28 Feb 94 p 4

[Article by Zoran Petrov: "Are the Detectives 'Suffocating' the Interior Ministry?"]

[Text] *The fate of the Security College is still uncertain. Although it has existed for 17 years, the Security College, according to the Ministry of Internal Affairs, represents a limit on the admission of college-educated people into the police, except for detectives, who are narrowly focused personnel without "horizontal" mobility to other parts of the state administration. People at the Security College are asking whether hastily trained lawyers or economists can fight crime.*

The Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] Assembly's meeting three days ago, when the "Proposal to Adopt a Law on Establishing a Training Center for Personnel in the Field of Security" came on the agenda, revived once again the dispute that has existed for almost a year between the Interior Ministry and representatives of the present Security College. The basic dilemma, which is also extremely debatable for a considerable number of parliamentarians (at least according to their statements at the meeting) is whether the Security College, which has existed since 1977, should be abolished, since the most fundamental innovation in the government's proposal is the elimination of this college and the establishment of a Center, whose basic task would be to create personnel for the uniformed portion of the police (the present police secondary school). The Assembly epilogue of the draft offered is well-known: By a majority of votes, the deputies decided that the law would be handled in two phases, with the government charged with preparing a bill.

Invasion of the Police by Unemployed Lawyers

The Assembly debate revived the dispute begun somewhat less than a year ago, with the notification by Minister Ljubomir Frckovski, sent to the Security College, which suspended the enrollment of students for the upcoming (1993) academic year. Several months later, on 18 June, Agis Sajnoski, then dean of the college, convened a news conference at which he called the Interior Minister's decision to suspend the enrollment of students an arbitrary action, behind which lay the interests of a group of professors at the Law College, well deployed in the government, the University's rector, and the ministers of internal affairs and education, whose intentions were to wipe out the education of detectives in order to create room for the employment of lawyers in the Interior Ministry, which has recently been done intensively. Interior Minister Ljubomir Frckovski responded that the reactions by the group of professors from the Security College were an attempt to attract public attention by staging "street fights," although in doing so they did not have the support of a single competent institution. "On the whole, one can understand their reaction," Frckovski said then, "which is due to fear for their own jobs and the high salaries that professors have."

In the meantime, the Macedonian Government completed the procedure for preparing a new draft on the transformation of the present Center (without the college), which was reviewed this fall by four Assembly commissions, and three days ago at the Macedonian parliament's meeting. What are the differences between

the two opposing sides, and what are the arguments "for" and "against" eliminating the Security College, since it is more than clear that this is actually the most fundamental change in the government draft that was offered?

The explanation of the Proposal to Adopt a Law on Establishing a Training Center for Personnel in the Field of Security, for example, says that for almost 15 years the Interior Ministry, in its personnel policy, focused on the admission of "detective" personnel from the Security College, which exists within the framework of the Center. This kind of personnel orientation, the explanation then says, represents a limitation, and restricts the admission of college-educated people with other professional backgrounds, since these are narrowly specialized personnel, without "horizontal" mobility into other parts of the state administration. It then says that experiences with the quality and adjustment of personnel to work in the Ministry are in favor of employees with ordinary highly professional training—lawyers, economists, computer scientists, sociologists, chemists, and so forth. What still remain extremely controversial are the way in which this college was even founded—imposed on the Republic of Macedonia for the needs of the former SFRY [Socialist Federal Republic of Yugoslavia] internal affairs authorities—the method and selection of personnel for the needs of a completely different system, which could by no means be described as democratic. At the same time, the explanation of the Proposal to Adopt a Law says, several meetings were held with representatives of the Ministry of Education, the Ministry of Science, the Cyril and Methodius University, and the Center, at which there were discussions of these issues, and in which agreement was reached in principle on the transformation project, with which only the Security College's representatives did not agree.

Conflict of Conceptual Differences

In contrast to the position of the government and the Interior Ministry, the current dean of the Security College, Dr. Ivanco Stojanov, has a completely different view of things. "Our college is a member of the Cyril and Methodius University," Stojanov said, "and it cannot be abolished without a decision by the University Council. Accordingly, the position stated in the explanation of the draft, that meetings were held at the University and that some sort of agreement on abolishing the college was reached, does not correspond to the truth. On the contrary," as Stojanov emphasized, "criminology is a special science, and differs from the legal, economic, and other sciences, and consequently a criminal scientist is in a different profession. The fact is that crime itself is a complex phenomenon, and only a suitably trained individual can cope with it, who will be able to cope with the primary function—preventing, detecting, clarifying, and proving crime. Can that be done by a hastily trained person, and can he be equipped by a course several months long to perform these things?" Stojanov asked.

"I maintain that during the last three years the Interior Ministry has hired about 1,000 graduate criminal scientists, but three or four times more lawyers," the dean of the Security College emphasized. According to him, this has radically violated the criterion of professionalism or competence, since it is impossible for people with different professional qualifications to conduct the police's basic activity. "And as for the claim that personnel from this college have proven to be of poor quality and unable to adapt," Stojanov stated categorically, "let someone tell me where the present chiefs of the Interior Ministry's regional units came from, the direct of the Center for Training Security Personnel, and several managers in the police services and sectors. If they are poor-quality personnel, then why are they assigned to management positions?" our interlocutor asked. The main argument for the special status of the Security College, according to its dean, is its very curriculum, which consists of 24 subjects, which are not studied at any other college in the University. Among others, they are: detective tactics, social pathology, criminal psychology, special physical education, the basics of security science, detective techniques, detective methodology, police tactics, forensic medicine, transportation criminal science, the criminology of unconstitutional acts, the methodology for investigating crime, victimology, the statistics of crime, ecological criminal science, criminological information science, economic criminal science, and so forth.

From what has been stated above, it can be seen clearly that there are substantive conceptual differences over the (lack of) justification for the continued survival of the Security College. On one hand, the Interior Ministry's position is that in the spirit of the new times and the role of the police, narrowly focused and "horizontally" immobile personnel are not needed, but rather more narrowly specialized individuals from several scientific areas and disciplines. The college's position, on the contrary, is that the basic activity of a detective cannot be conducted by lawyers, economists, or chemists, since they are trained for other fields. In other words, a specific problem like crime inevitably requires expert personnel who would be able to oppose it successfully. Whatever the case, the Republic of Macedonia's Assembly will have the last word. The latest news associated with this issue is the announcement by the Interior Minister that the enrollment of students at the Security College has been frozen for this year as well.

Customs, Police Allegedly Involved in Smuggling

94BA0206B Skopje NOVA MAKEDONIJA in Macedonian 11 Feb 94 p 6

[Article by G. Karevski: "The Desire for Luxury Led Them Into Crime"]

[Text] *Well-informed people in the city claim that the jailed policemen were known for their easy and attractive life, and that they intended to invest their rapidly acquired profits in private business. Among those jailed is one*

policeman from Serbia, who coordinated things from the other side of the border. Were people from Customs also involved in the smuggling?

Bitola, 10 Feb—The discovery and arrest of a group of smugglers of luxury automobiles a few days ago in Bitola, and the scandal that was caused immediately afterward by the still not officially confirmed but also still undenied reports that several policemen from the Bitola UVR [Internal Affairs Administration] (at least one of them with the rank of police inspector) were also active members of that group, will probably be a distinction by which the first part of February will be remembered in this city for quite a long time to come. And if (in the interests of the investigation) the embargo continues on any official statements and information for the public, it will only intensify the latter's curiosity and imagination: It is precisely that ordinary public that is analyzing by itself in detail the entire case, seeking an answer to the question of how and to what extent crime has taken root among people in uniform.

The Bitola public, especially people who say that they are thoroughly informed about the entire case, is already skeptical about the question of whether it really will be completely cleared up, since allegedly this has to do with a network of organized criminals much broader than the chain that was "broken" in Bitola, and because after the breaking of the "Bitola connection" those who "operated" in several other Macedonian cities are allegedly still in hiding. Furthermore, "those in the know" claim that a broader circle of policemen knew about the activity of the "Bitola connection," that they kept it quiet for the sake of their friends and colleages, but that in the end they nevertheless informed their superiors in the UVR, avoiding the risk that their passive attitude might involve them as accomplices. In any case, trying to be more precise, the Bitola public is now insisting on the "assertion" that there are four (already former) police officers from the local UVR in jail, and that among the jailed foreign citizens there is likewise one policeman (from the Republic of Serbia), who coordinated things from the other side of the border, and came to Macedonia in order to see the results of his involvement.

It is now being said of the jailed Bitola policemen that they are fairly young, that they were well known in the city for being in love with an expensive, easy, and attractive life, and reasons are being sought here for their going over to the other side of the law. "Working" then on intensive smuggling, exclusively of luxury automobiles (those involved were mostly of the Mercedes, BMW, Golf, and Ford makes, and only one Renault-5), they apparently succeeded in acquiring considerable amounts of foreign exchange. Allegedly, as much as 180,000 German marks [DM] was found on one of the people arrested and was confiscated from him, and they also had a certain number of unsold cars "in stock." "Those in the know" say that the former policemen intended to invest their quickly acquired profits in opening private enterprises, and that the world of private business was their main vision, and thus, even without the police action, the Bitola smuggling chain would have collapsed on its own. That the ex-policemen really did intend to resign not only from smuggling but also from the police profession, according to the "information" of the Bitola public, is also confirmed by the (allegedly) regularly performed procedures for the registration of private enterprises. The problem arose, however, when the people simply forget to stop when faced with the magical rustling of green banknotes.

In any case, spurred by the statements that the investigation is constantly encountering new elements, the Bitola public is now also talking about new arrests and jailings. Solely on the basis of the "logical assumption" that the entry of the smuggled automobiles into Macedonia would have been impossible without the involvement of people from Customs as well, they are manipulating the "facts" that several people are "losing" their careers there as well, and the list of accomplices among ordinary citizens who allegedly also had vital functions in the criminal chain through their own occupations is expanding greatly.

In any case, however, the investigation is under way.

Interior Ministry Policy on Identity Cards

94BA0206C Skopje VECER in Macedonian 17 Feb 94 p 3

[Text] *Although the law on identity cards is not being passed, the Interior Ministry is announcing the introduction of new identity cards in the spring; the introduction of the new cards will be done on the basis of the old regulations, with a change in the form for the identity cards; a filter for uncovering individuals without Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] citizenship.*

While the adoption of the law on identity cards by the Macedonian Assembly is waiting for "better times," the Interior Ministry is preparing a "counterstrike"—it will start to issue the new identity cards as early as April, and possibly the beginning of June. Regardless of whether the new law is passed or not, legal form will be ensured by applying the old law, but with changes in the regulations. To put it more simply, the form of the identity card will be changed, which the ministry has the right to do, just as in the case of the change in passports.

Black Number

The Interior Ministry decided on this step because the present situation with the use and issuance of identity cards, in which real chaos prevailed (red, blue, and plastic-coated ones are in use), is becoming increasingly untenable. Standardization of the main civil document has also become necessary in order to clear up definitively the question of who is and who is not a citizen of the Republic of Macedonia. According to Blagoja Toskovski, a chief at the Interior Ministry, the current process

of determining the status of Macedonian citizenship is definitive enough to give an answer as to how many citizens Macedonia has.

The information simply shows that many residents, knowing that they did not meet the conditions for obtaining citizenship, did not even request it, but are continuing to reside in Macedonia, using the old identity cards, obtained in various ways. That is the so-called "black number," whose magnitude is unknown, and which can only be determined by issuing new identity cards, which, however, can only be obtained on the basis of having received citizenship. This step is an attempt at finally clearing up the dilemma of who is a citizen of Macedonia, and all those who will not meet the conditions for obtaining a new identity card will have the status of foreigners; they will be easily identified, and they will have to regulate their stay in Macedonia in accordance with the rules for residence by foreigners.

Prediction

"Indisputably it is necessary to adopt the law on identity cards. That does not mean, however, that it should be postponed indefinitely, because the situation 'in the field' is already intolerable. The Interior Ministry will wait for the law to be passed, but if that does not happen we will start issuing the new forms for identity cards this spring," Blagoja Toskovski said.

As the situation regarding passage of the law on identity cards stands now in the Assembly, the Interior Ministry will probably have to start without this law. The positions of the deputies' groups still remain unchanged: The opposition is stubbornly insisting that identity cards be written only in the Macedonian language and the Cyrillic alphabet, including the citizen's name, and the coalition itself, in addition to being divided, has not decided what it should definitely accept.

Specifically, the PDP-NDP [Party for Democratic Prosperity-People's Democratic Party] is insisting that the entire contents of the identity card, including the name of the owner, be written in the language and script of national minorities, as well as the Macedonian language and Cyrillic script. The Liberals, as usual, still have reservations; that, however, does not mean that they possibly might not join the SDSM [Social Democratic Alliance of Macedonia], which accepts the government's proposal that the identity card should be written in the Macedonian language and the Cyrillic alphabet, and the name of the citizen in parentheses and in the language and alphabet of the national minorities. There are predictions that since we will have elections this fall the law will not even be supported at all, because of fear of a possible loss of support among some of the voters.

[Box, p 3]

Identity Cards as Cards

The new identity cards will have the form of cards made from a stronger material without a protective foil. The first page will have the photograph of the bearer, together with the owner's first name and surname, and his birth certificate and registration number. "Republic of Macedonia" will be at the top, but without the state seal, which is also the alternative used in the new Macedonian passports.

The data on the date and place of birth will be entered on the second page, and the bearer's fingerprint will be impressed in a special place. Otherwise, it is planned that the replacement of identity cards will be carried out within one year, but the Interior Ministry thinks that the entire operation can be completed in a shorter time, in view of the capabilities of the system, which makes it possible to issue 300,000 identity cards in a month.

Federal

'Sudden Swerve' in Russian Policy Viewed

LD2604111994 Belgrade TANJUG in English 1059 GMT 26 Apr 94

[Article by Djordje Milosevic]

[Text] Moscow, April 26 (TANJUG)—After quite a few sharp, unexpected and contradictory statements, Moscow has finally agreed to what it has until recently energetically opposed—to a use of force in the former Yugoslav republic of Bosnia-Herzegovina.

The turnabout which many found quite unexpected, came to light in a statement by Foreign Minister Andrey Kozyrev last Saturday. He described the NATO threat of air strikes against the Bosnian Serbs as an adequate response at the United Nations' request. Kozyrev condemned the Serbs, using the words that would be used by Washington, Bonn, some Arab capitals or people showing open resentment towards the Serbs.

Less than a day before, his view was completely different. It was then that he told reporters that the NATO decision to launch air strikes against Bosnian Serb positions might prompt the conflict to escalate.

He said that the NATO military option was not the best solution. He added that the air strikes decision would clash even with the broadest interpretation of the U.N. resolution and could alter the character of U.N. operations in Bosnia-Herzegovina.

The following day Kozyrev's statements were different altogether. All of a sudden, NATO air strikes were utterly in keeping with the U.N. resolution and did not change the character of U.N. operations.

Political and diplomatic inconsistency had begun earlier, when Kozyrev's deputy Vitaliy Churkin at Moscow airport raised an outrageous hue and cry against the Serb side alone. He made no mention of the Moslem share of the blame, to which he had often referred in the past.

Moscow analysts believe that NATO air strikes against Bosnian Serb positions should have been announced first and then given the green light.

There is a difference in views between Russia's army and political-diplomatic leadership. Defence Minister Pavel Grachev at a press conference in Moscow has said that he simply cannot unilaterally blame the Serb side for the difficult situation around Gorazde, the Moslem enclave in eastern Bosnia.

"We have at our disposal complete information on the situation in this region of the former Yugoslavia," Grachev said, obviously making it clear that the information possessed by the army leadership differed from that launched daily to serve the interests of the world power wielders. Grachev qualified NATO and U.N. decision as imprudent and maintained that the air strikes should be abandoned.

A sudden swerve in Russia's diplomacy is followed by a well-orchestrated campaign to bring Russia in line with the West regarding the Bosnian conflict.

Analysts say that the situation now was the same as two years ago when Russia had done its best to make the imposition of the sanctions against Yugoslavia seen as absolutely justified.

Simic: Air Strikes Set 'Dangerous Precedent'

LD2304032794 Belgrade TANJUG in English 0017 GMT 23 Apr 94

["Pool" item]

[Text] Belgrade, April 22 (TANJUG)—Yugoslav Vice-Premier Zeljko Simic said on Friday that the international community had set a dangerous precedent by raiding Bosnian Serb positions at the eastern Bosnian Moslem enclave of Gorazde, which might have incalculable consequences for the future of international relations and the shape of the new world order.

Simic, who chairs the committee for monitoring the International Conference on Former Yugoslavia, was speaking at a meeting with a delegation of the Russian State Duma (lower house of the Russian parliament), headed by Nikolay Bezbyrodov, deputy chairman of the parliamentary defence commitee, said a statement released by the Yugoslav Information Ministry.

Simic briefed the Russian delegation about the Yugoslav Government's positions in the light of the latest developments in Bosnia-Herzegovina, and said that Yugoslavia (Serbia/Montenegro) had been cooperative and flexible from the very outbreak of the crisis in the region, which means that accusations against its foreign policy orientation are groundless, and most often malicious.

The Yugoslav Government has always aspired to an unbiased and objective view of all aspects of the crisis in former Yugoslavia, as the only way for reaching a just and lasting settlement of the two-year-old crisis, simic said and added that the government would never abandon the democratic principles of safeguarding the sovereignty of the country and the freedom of its people.

Simic placed special stress on the unsuitability of sanctions and the need for banishing them permanently from international relations.

The U.N. Security Council imposed sanctions on Yugoslavia in May 1992 for the country's alleged military involvement in civil war in neighbouring Bosnia-Herzegovina, and has tightened them twice since.

Simic stressed that Russia's role had been and continued to be of great importance to Yugoslavia and the future of the world.

Without the active, peace-making role of Russia, which justly insists on talks as the only mode of international communication likely to produce lasting peace and stable relations in the region, it is impossible to imagine a satisfactory outcome of the civil war and relaxation of tensions in the region. This is why all international factors must embrace the Russian approach, which is unbiased, heeds the political reality and strives for a comprehensive settlement of the conflict in the territory of former Bosnia-Herzegovina, simic said.

He added that lasting and immediate peace was a necessary precondition for all talks and political consultations, whose outcome must not be prejudged.

The Russian parliamentary delegation agreed with the positions expressed by the Yugoslav deputy prime minister and said that their visit was primarily aimed at learning at first hand the true state of affairs in the former Yugoslav republics. They explained they intended to suggest to the State Duma later in April some concrete measures which should help solve the crisis in former Yugoslavia, the Yugoslav Information Ministry said in its statement.

Impact of Sanctions on Income Viewed

LD2504125194 Belgrade TANJUG in English 1217 GMT 25 Apr 94

[Text] Belgrade, April 25 (TANJUG)—The biggest measurable damage to the Federal Republic of Yugoslavia during the international sanctions is the drop in the national income from 3,000 dollars to 700-900 dollars per capita, Dr. Oskar Kovac told TANJUG on Monday.

The prominent economist is a member of a team of experts charged with estimating the damage to the Yugoslav economy since the imposition of the sanctions in May 30, 1992 which caused a drop in the production, a halt of export-import activities, rising unemployment and lower living standards.

"The idea on a conference on the economic revival of the former Yugoslavia, recently proposed by U.N. Secretary General Butrus Butrus-Ghali, has only spurred the Yugoslav experts to step up their efforts to estimate the scope of the damage," Kovac said.

The former Yugoslav republics have intensified their efforts to estimate the war damage, either independently or with the aid of world experts, he said.

Yugoslavia has suffered damages both due to the sanctions and the disintegration of the former Yugoslav Federation which started in 1991 with the violent secession of Slovenia and Croatia.

The experts will determine in what measure the sanctions affected the reduction of the social product, which recorded a drop from 23,399 million dollars to 9,520 million dollars in the 1990-93 period.

The marked decrease began in 1991 with a 11 percent drop compared to 1990, and 26 percent in 1992. In 1993, this figure was 30.3 percent.

In view of the fact that in the 1986-90 period the Yugoslav social product recorded an average annual drop of 1.2 percent, it is clear that the drastic fall is the result of the disintegration of the former Yugoslavia and the introduction of the E.C. and U.N. Security Council sanctions.

Much of the damage will be difficult to measure, while a part will become apparent only after the sanctions are lifted when potential losses of commercial banks surface.

Montenegro

Prime Minister Djukanovic Meets With Bankers

94BA0254B Belgrade POLITIKA in Serbo-Croatian 6 Apr 94 p 9

[Article by D. Becirovic: "Private Operators Are Ruining the Dinar"]

[Text] Podgorica, 5 Apr—Montenegrin Prime Minister Milo Djukanovic today invited bankers to Podgorica for a discussion of what is happening to the money supply, saying that disturbing problems have been arising in recent days after the favorable results in the first stage of stabilizing the monetary system. According to Djukanovic, these problems require urgent measures. He mentioned scalping, of which he said that the "participant banks" are not the only ones. Montenegrin Deputy Prime Minister Krunoslav Vukcevic asked the bankers to present their view of how the currency exchange business operates. He presented figures to the effect that by 4 April Montenegrin banks had purchased 13.2 million German marks [DM]. When the sale of foreign exchange is taken into account, there was a positive result of about DM12 million. In view of the fact that the result for the entire country is DM300 million, the share of Montenegrin banking is not really at an enviable level in that amount. He also pointed to the phenomenon of scalping. Petar Vujovic, director of the Montenegrin branch of the National Bank, mentioned other figures, saying that the purchases of foreign exchange in Montenegro amounted to about DM26 million, but that banks in Montenegro headquartered in Serbia are not turning over their entire purchases to the Montenegrin branch of the National Bank of Yugoslavia.

"When we asked the Beobanka office about the purchases of foreign exchange, they told us that headquarters gave out the figures. Later they told us that they were not prohibited from giving out figures, but they could not provide them," Vujovic said.

Radmila Kalezic, Jugobanka manager in Podgorica, stated categorically that her bank was not engaging in scalping. She said that the purchasing of foreign exchange had been good up until 10 days ago, but since

that time things had changed, and her bank had a deficit of DM397,000 in sales and purchases of foreign exchange.

"The tellers noticed that the same people are coming to buy foreign exchange again and again in the course of the day. Those who earlier purchased it on the street have now moved to the banks. It seems that private operators are not promptly turning in their cash receipts for the day," Kalezic said, calling for the government to monitor strictly the cash flow of private firms.

Milorad Lakovic, director of Pljevaljska Bank, was also categorical about the private operators. He said that the dealers are working for the private operators and that the black market is already beginning to operate, and Cetkovic, the director of Jugobanka in Herceg-Novi, presented the figure that until a few days ago the ratio in the purchase and sale of foreign exchange was 4:1 to the advantage of the bank, but now that ratio is even. He said that the private sector is probably engaged in purchasing from farmers, so that the movement of the money is not being monitored, and certain new people are coming to bank windows and doing so several times a day. The bankers in Kotor say that a check should be run on how people with a monthly salary of no more than 100 dinars can come several times a day and present 100 dinars to buy marks. When bank personnel notice this and offer another currency instead of marks, these people call for the assistance of the financial police, and the officials must then pay them.

It is obvious that scalping and the dealers are slowly becoming reality once again.

Kosovo

Problems of Beogradska Bank Branch Examined

94BA0254A Belgrade POLITIKA in Serbo-Croatian 6 Apr 94 p 15

[Article by M. Laketic: "Even Parties on Bank Balance Sheets"]

[Text] Pristina, 5 Apr—In the opinion of Pristina bankers, the losses in Beogradska Bank, Pristinska, a joint-stock company, which POLITIKA has written about, occurred because of a lack of discipline on the part of certain executives who had never performed banking operations before coming to that institution. So, that bank, which never formed an oversight committee although it has been in existence since 1990 and should have done so under the Law on Banks (Articles 41, 46-48, SLUZBENI LIST, No. 32, 1993) and also under the bank charter, has been operating according to the lights of the general director and a few of his associates, who have changed frequently.

Instead of an oversight committee, Director Dimitrije Ljiljak formed a farm committee and a committee for science and technology, each of which had 15 members, constituting a "voluntary" advisory body. The members of these committees, among them Dr. Zoran Gruic; Dr. Zoran Gligorijevic; Zoran Vasiljevic, director of Famipa in Prizren; Bosko Kotorcevic, director of the welded pipe factory in Urosevac; Boban Boskovic, director of Plastika in Pristina; and so on, have been receiving a monthly appanage incomparably greater than the salaries of those employed in the bank. Expenditures of this kind were indicated in the Report on Business Operations under the items of "intellectual services" and "other nonproduction services."

Judging by that report, most of the expenditures were made, or costs incurred, by the bank's branch in Urosevac. Thus, that branch allocated for firewood alone several hundred-fold more money than in Pristina, while the Gnjilane, Pec, Prizren, and Zvecani banks had minimal expenditures of this kind. That same branch in Urosevac last year had several hundred-fold higher PTT [post, telephone, telegraph] costs than all the branches and main headquarters, taken together. That branch also had the highest appropriation to pay net personal incomes arising from royalties.

However, the personnel in that bank say that the situation is altogether different. They say that expenditures of other branches and the main headquarters were entered on the books of this branch, and those expenditures even included all kinds of parties, and last spring's celebration of the Serbian Radical Party [SRS] is mentioned as a curiosity. That is, the SRS celebrated its election victory in the Narcis Hotel on Brezovica. The bank was the general sponsor of the celebration, since, let us not forget, Director Dimitrije Ljiljak was a people's deputy in the Serbian Assembly as a member of the SRS.

Another oddity referred to is the example of the purchase of Misa Kalajdzic's doctoral dissertation "Revitalization of Sar Mountain." That is, before the sale of that doctoral paper Kalajdzic was that bank's executive director, and now he is director of the commercial firm Kosmet, which was established by that bank. The lawyer of the Pristinska Bank, we have learned, opposed this unique purchase of a doctoral dissertation at the time, arguing that this work could be obtained without payment in any Kosmet library.

The personnel of the Pristinska Bank, among them Zaga Pavlovic, wrote a report on all of this for all the government agencies, including the president of the republic. Its petition referred to the collaboration between Director Ljiljak and a certain Milorad Dobric of Belgrade, owner of the magazine SELO, with the entire benefit going to this private publisher. The deal, our informant says, was that the magazine would write as much as possible about Director Ljiljak and then "there would be no problem about money for printing."

The bank's executives do not for the moment want to go public. The only statement was from Dr. Branko Vasiljevic, member of the bank's managing board, who said, "It actually could have been worse."